

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION

3 ILLINOIS BELL TELEPHONE COMPANY) DOCKET NO.
) 00 -0393
4 Proposed implementation of High)
 Frequency Portion of Loop (HFPL)/)
5 Line Sharing Service.)

6 Springfield, Illinois
 July 20, 2001

7
8 Met, pursuant to notice, at 8:00 A.M.

9 BEFORE:

10 MR. DONALD L. WOODS, Administrative Law Judge

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1 PROCEEDINGS

2 (Whereupon Sprint Rehearing
3 Exhibits 5.0 and 5.0P on
4 Rehearing were marked for
5 identification.)

6 JUDGE WOODS: We'll go on the record at this
7 time.

8 This is Docket 00-0393 on rehearing. It
9 should be about July 20, 2001, but who's counting,
10 right?

11 I've instructed the Court Reporter I
12 believe despite the fact that all counsel are not
13 here, I'm sure all counsel who appeared yesterday
14 will be here before the end of the date, so at this
15 time I'd issuing a temporary instruction to issue
16 all of the appearances as if they were given orally
17 with the list who were here yesterday. If we need
18 to amend that later on, we'll take that up.

19 (Whereupon the appearances
20 of the parties as given on
21 7/19/01 are incorporated
22 into the record as

1 follows:)

2 MR. BINNIG: Theodore A. Livingston, Christian
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7 MS. HERTEL: Appearing on behalf of Ameritech
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10 MR. HARVEY: For the Staff of the Illinois
11 Commerce Commission, Matthew L. Harvey and Sean R.
12 Brady, 160 North La Salle Street, Suite C-800,
13 Chicago, Illinois 60601-3104.

14 JUDGE WOODS: We do have Mr. Dunbar on behalf
15 of Sprint on the telephone today for
16 cross-examination. Mr. Schiffman, are you ready?

17 MR. SCHIFMAN: Yes, Your Honor.

18 JUDGE WOODS: And as I recall, Mr. Dunbar was
19 in the room a couple of days ago and was previously
20 sworn. Is that correct?

21 MR. SCHIFMAN: That is correct. Is that
22 correct, Mr. Dunbar?

1 MR. DUNBAR: Yes, it is.

2 JUDGE WOODS: You may proceed.

3 MR. SCHIFMAN: Hearing Examiner Woods, I
4 understand Ameritech is going to stipulate to the
5 admission of Mr. Dunbar's Exhibit 5.0, the
6 confidential version and the public version, and
7 the accompanying exhibits JDD-1, JDD-2, JDD-3, and
8 JDD-4. At this point in time is that the agreement
9 of Ameritech?

10 MR. LIVINGSTON: That is the agreement of
11 Ameritech.

12 JUDGE WOODS: Okay.

13 MR. SCHIFMAN: Okay. Mr. Hearing Examiner,
14 I'd like to move Sprint Exhibit 5.0, both the
15 proprietary /confidential version and the public
16 version, into the record and the accompanying
17 exhibits.

18 JUDGE WOODS: Without objection.

19 (Whereupon Sprint Rehearing
20 Exhibits 5.0 and 5.0P were
21 received into evidence.)

22 MR. SCHIFMAN: I tender Mr. Dunbar for cross.

1 JUDGE WOODS: The witness is available for
2 cross. Mr. Livingston.

3 MR. LIVINGSTON: Thank you, Your Honor.

4 JAMES D. DUNBAR, JR.
5 called as a witness on behalf of Sprint
6 Communications L.P., having been first duly sworn,
7 was examined and testified telephonically as
8 follows:

9 CROSS EXAMINATION

10 BY MR. LIVINGSTON:

11 Q. Good morning, Mr. Dunbar. I want to
12 thank you very much for making yourself available
13 this morning by phone.

14 THE WITNESS:

15 A. Okay. You're welcome.

16 Q. And because there may be a communication
17 problem, if I'm not speaking clearly, please just
18 -- or if I'm not speaking in a comprehensible
19 fashion in terms of phrasing the question, please
20 speak up, and I will promptly correct it.

21 A. If you continue as you are, you are very
22 clear.

1 Q. Thank you, sir.

2 Would you please turn to page 7 of your
3 testimony, and we're referring to 5.0, the
4 confidential version.

5 A. Okay.

6 Q. And I'd like to direct your attention to
7 the testimony that appears at lines 9 through 11,
8 the sentence that starts: "CLECs should not be
9 denied access to Ameritech's loop network". Do you
10 see that?

11 A. Yes, I do.

12 Q. And then you talk in there about network
13 expansion necessary to accommodate customer demand.
14 Do you see that?

15 A. Yes, I do.

16 Q. Who is the customer in that sentence?

17 A. In the sense that I used it here, any
18 customer, whether it be a CLEC or a retail
19 customer.

20 Q. So you included CLECs in customer demand
21 as used in this sentence.

22 A. Yes.

1 Q. Do the CLECs, including Sprint, have any
2 obligation to purchase product and service from
3 Ameritech?

4 A. Any obligation to?

5 Q. Yes, sir.

6 A. No customer has an obligation to
7 purchase from me.

8 Q. If we invest capital to accommodate
9 CLEC- stated demands and the CLECs don't buy, is it
10 possible then that Ameritech Illinois will not
11 recover its investment costs no matter what the
12 price is for the products or services?

13 A. If the investment is made and nothing is
14 purchased, that is possible.

15 Q. Direct your attention to the next
16 sentence where you talk about the development of
17 appropriate TELRIC rates, and you talk about that
18 being the answer, not denial, of access to the
19 incumbent's loop network. Do you see that?

20 A. Yes, I do.

21 Q. Lines 11 through 13?

22 A. Yes.

1 Q. Are you familiar with the term advanced
2 services?

3 A. Yes, I am.

4 Q. What do you understand by that term,
5 sir?

6 A. Basically from a general standpoint that
7 any of the services that are advanced from that of
8 voice grade.

9 Q. Is the broadband service that Ameritech
10 Illinois proposes to offer an advanced service?

11 A. One of them. There's many advanced
12 services that are being offered, some of which ride
13 the -- are ATM-based and some of which are TDM-
14 based.

15 Q. That's TDM all caps, correct?

16 A. That's correct. I'm sorry. It's TDM,
17 time division multiplexer.

18 Q. Does the Project Pronto architecture
19 include electronics used to provide advanced
20 services?

21 A. On both a TDM basis and an ATM basis,
22 yes, it does.

1 Q. Can you identify those electronics?

2 A. The NGDLC, the COT, the integration
3 electronics that interface the voice grade services
4 to the central office equipment, the OCD. That's
5 part of them.

6 Q. Are you familiar with the UNE Remand
7 Order and the FCC regulations that accompany it?

8 A. No, I'm not, other than very vaguely.

9 Q. Are you aware that the FCC defines a
10 loop to exclude electronics used in the provision
11 of advanced services?

12 A. I'm aware that those terms were used.
13 However, if you look at the costs that had been set
14 in the TELRIC rates and the discussions that have
15 been said, there are cases where the FCC has, in
16 fact, such as on DSIs or other services like that,
17 included the electronics in TELRIC costs in their
18 own models.

19 Q. Are you aware that in the regulations
20 that are currently in effect relating to unbundling
21 obligations that the FCC expressly excludes from
22 the definition of the local loop electronics used

1 in the provision of advanced services? Are you
2 aware of that fact?

3 A. I have heard that that is true. I have
4 not read that.

5 Q. Could you please direct your attention
6 to page 17 and 18?

7 A. Okay.

8 Q. Let me ask you this question; you're
9 quite experienced in doing cost work.

10 A. Yes.

11 Q. And you're very familiar with
12 forward-looking cost methodologies.

13 A. Yes, I am.

14 Q. In fact, you have developed some models
15 that are designed to determine such costs. Is that
16 a fair statement?

17 A. Yes, it is.

18 Q. And you've been an employee at Sprint
19 for how long, sir?

20 A. Twenty-eight plus years.

21 Q. Would you say you're pretty familiar
22 with the corporation?

1 MR. SCHIFMAN: I'll object to the vagueness.

2 What do you mean familiar with the corporation?

3 MR. LIVINGSTON: I'll withdraw the question.

4 Q. Do you believe that you're familiar with
5 the way that the corporation operates in terms of
6 assessing and either going forward with or not
7 going forward with capital investments?

8 A. Yes.

9 Q. Would Sprint make a risky investment if
10 the best it could hope for was a TELRIC price?

11 A. Under the regulations as we do today, in
12 fact it's done for every customer on every loop.
13 You build your network, and you invest in it on the
14 assumption or forecast that there is a level of
15 growth that's there, and you expand it to meet that
16 level of growth. You are always investing with
17 some risk on a going-forward basis.

18 Q. And moving away from Sprint as an ILEC
19 and talking about Sprint as a company in the
20 unregulated environment, would Sprint make a risky
21 investment if the best it could hope for was a
22 price limited to TELRIC-determined costs?

1 MR. SCHIFMAN: Objection. Could you please
2 explain risky in your question? I think it's vague
3 without an explanation of what you mean by risky.

4 MR. LIVINGSTON: Well, let me say this:

5 Q. There's risk involved in any new
6 business venture. Would you agree, Mr. Dunbar?

7 A. Yes.

8 Q. And if that business venture involves
9 deploying a new technology, that's riskier than the
10 typical situation. Would you agree?

11 A. No, sir, I don't agree because you
12 deploy a new technology or a new service almost
13 every day or not necessarily every day, but you
14 continually do it in the business as we've done
15 known it for as long as we've been around.

16 Q. Okay. Let's talk about the normal level
17 of risk. I think you've agreed with me that there
18 is some risk involved in any new business venture.
19 Correct?

20 A. The risk is the risk associated with how
21 good your forecast is.

22 Q. You've got to make sure your technology

1 works and you've got to hope that the customers
2 buy. Is that fair?

3 A. Yes.

4 Q. Okay. In the unregulated environment,
5 would Sprint make an investment involving a new
6 technology and a new business venture if the best
7 it could hope for was a TELRIC price?

8 A. I think that question is better
9 addressed to Mr. Burt who does that and deals with
10 that on a day-to-day basis.

11 Q. Okay. So I guess the answer to my
12 question is you don't know?

13 A. I didn't say that. I said he is the
14 better one to answer that.

15 Q. Well, what's your answer?

16 A. We invest and expect return on a TELRIC
17 basis with some risk every day on all kinds of
18 service.

19 Q. Now you're not limited to TELRIC in the
20 unregulated environment, are you?

21 A. No.

22 Q. And doesn't the corporation hope to

1 obtain better than a TELRIC return in the
2 unregulated environment?

3 A. Well, a corporation would hope to make
4 better than a TELRIC return, if possible, even in a
5 regulated environment. I mean that's a hope. It
6 doesn't mean that you're necessarily going to get
7 it.

8 Q. I'd like to move away from the pages I
9 just directed your attention to and move up to page
10 21.

11 A. Okay.

12 Q. And I'm referring to your testimony up
13 there at the top of page 21.

14 A. Okay.

15 Q. And you're talking there about PVPs as
16 UNEs. Do you see that?

17 A. Right.

18 Q. And you state that Sprint does not need
19 access to individual PVPs.

20 A. That's correct.

21 Q. But you do desire multiple PVCs,
22 correct?

1 A. That's correct.

2 Q. How does Sprint propose to access a PVC?

3 A. Ultimately, if you gave us -- Ameritech
4 gave us the PVCs and the class of service that we
5 requested on an end to end basis, that would be our
6 preference. Failing to do that, we would expect to
7 be able to then have the ability to place the card,
8 which is the card in the NGDLC for the service that
9 controls the class of service.

10 Q. Can you get access to a PVC on a
11 stand-alone basis?

12 A. I'm not sure I follow you. Any ADSL
13 circuit that you activate you will have at least
14 one PVC assigned the very fact that you active. It
15 may be UBR or it may be CBR. You cannot activate
16 an ADSL service without assigning it a PVC.

17 Q. Okay. I'm a rank layman when it comes
18 to all this, but am I correct that you can't just
19 have a PVC? That in order to have a PVC you need
20 the electronics that are attached to both ends of
21 the transport facility?

22 A. Yes, that's correct.

1 Q. So in that sense, just a PVC standing
2 alone is not something you could do anything with
3 or gain access to. Is that a fair statement?

4 A. I'm not sure I follow your question.

5 Q. Well, can I have a PVC if I don't also
6 have access to and use of the NGDLC?

7 A. Yes, because PVCs can be provided with
8 DSLAMs or other equipment that can be used to
9 provide those same facilities and class of service.
10 It doesn't have to be an NGDLC. In your case, the
11 way it's set up it would be with the NGDLC.

12 Q. Well, even if you collocated a DSLAM at
13 the remote terminal and then directed the traffic
14 off the DSLAM onto your own facility, if you had a
15 PVC on your own facility, you'd need your DSLAM to
16 get access to it. Fair statement?

17 A. Well, that's one end of what controls
18 the PVC. Yes.

19 Q. And if you're using our system and our
20 architecture, you need our NGDLC and our OCD to get
21 access to and use the PVC. Correct?

22 A. On the PVC for ADSL that's correct.

1 Q. Now Sprint wants VBR, correct?

2 A. That's correct.

3 Q. And were you in the hearing room I
4 believe Wednesday afternoon when Dr. Ransom
5 testified?

6 A. Yes.

7 Q. And you're aware that VBR is not
8 available on the LiteSpan system?

9 A. It's not today. That doesn't mean a
10 licensing arrangement couldn't be made where it
11 could be provided tomorrow, and because these rates
12 are being set or these rules are being set on a
13 going-forward basis, there's nothing to say that
14 whether it's tomorrow or two months or six months
15 from now that that can be entirely different, that
16 is the class of service that we are asking for, and
17 Mr. Burt can discuss that with you at length.

18 Q. You heard Dr. Ransom testify that there
19 are no plans to modify LiteSpan to make it able to
20 support VBR. Correct?

21 A. That's correct, and I also heard him
22 turn around and say that they listen to their

1 customers and when we ask for VBR, and we are one
2 of their customers as an ILEC as well for the very
3 same equipment, and there's nothing to say that
4 they will not work with us or with another licensed
5 or sub- vendor to provide the class of service card
6 that we're asking for.

7 Q. You will agree with me that there's no
8 certainty that the LiteSpan system will be able to
9 support VBR at any time in the next three to four
10 years.

11 A. No, I will not.

12 Q. You don't think that's a possible
13 outcome?

14 A. I don't think it's a possible outcome if
15 Alcatel lives up to what they say and listens to
16 their customers, continues with the market, and
17 develops to be competitive in the market because
18 theirs is one of the few pieces of equipment right
19 now that does not provide those classes of service,
20 and I would fully expect that they will listen to
21 their customers and develop it certainly within
22 that time frame.

1 Q. When do you want to roll out your ION
2 service?

3 A. You need to address that to Mr. Burt.

4 Q. If you can't get VBR over the Project
5 Pronto architecture, does Sprint have any use for
6 the Project Pronto architecture?

7 A. Again, as the person being closer to it,
8 Mr. Burt can answer that better, but it's my
9 understanding that with some difficulty we could
10 rework the system to be able to use CBR as long as
11 the bandwidth was not limited to 96 kilobits.

12 Q. Would Sprint do that?

13 A. You need to ask Mr. Burt.

14 Q. Okay. You don't know the answer to that
15 question.

16 A. No, I don't.

17 Q. Direct your attention down to lines 9
18 and 10 on the same page.

19 A. Okay.

20 Q. And you state there that Sprint deems it
21 reasonable that CLECs not obtain access to a PVP
22 until it is possible to access multiple PVPs per

1 channel bank.

2 A. Right.

3 Q. Have I read that correctly?

4 A. Yes, you have.

5 Q. Is it your recommendation to the
6 Illinois Commerce Commission that PVPs be removed
7 from the list of required UNEs until multiple PVPs
8 per channel bank are available?

9 A. No, sir, it is not. All I am stating is
10 that we as a CLEC and most of the CLECs will
11 probably not ask for it until the multiples are
12 available.

13 Q. That would be the reasonable thing to
14 do. Do you agree?

15 A. Yes.

16 Q. Okay.

17 A. If, in fact, your definition and what
18 you are asking me is related to us not asking and
19 not the Commission deferring.

20 Q. Okay.

21 A. I do not agree it's reasonable for the
22 Commission to defer the decision.

1 Q. Okay, but your statement is it's
2 reasonable that CLECs not obtain access to a PVP
3 until it's possible to access multiple PVPs per
4 channel bank, correct?

5 A. That's my statement.

6 Q. And you're going to stand by it. Right?

7 A. Yes.

8 Q. Okay.

9 Let's talk about for a minute multiple
10 PVPs.

11 A. Sure.

12 Q. You understand that that requires
13 deployment of Release 11?

14 A. Yes, I do.

15 Q. And you know that that's not out yet?

16 A. Yes, I do.

17 Q. And you know it hasn't even been tested
18 yet?

19 A. Yes. I was in the hearing room
20 listening to Dr. Ransom.

21 Q. And until it's tested, will you agree
22 there's no guarantee that it will work?

1 A. Yes.

2 Q. Do you have an understanding as to how
3 these multiple PVPs will actually work in practice,
4 assuming that the tests work out and that this
5 thing is actually deployed?

6 A. My understanding at this point is
7 limited to the documentation that Alcatel has
8 provided as confidential documents that do discuss
9 Release 11 and its capabilities at length, which
10 just generally include how the cross-connects will
11 work and the type that's available and the
12 multiplicity that will be there and the flexibility
13 that will be there. What they have provided is
14 very detailed in its description of what is
15 expected in Release 11, and that does include the
16 addressing of the multiple PVPs and the cross
17 connections from the PVCs to the PVP.

18 Q. If you have multiple PVPs, is it
19 important to be able to manage and control traffic
20 to ensure that the PVPs don't grow?

21 A. Yes, it is, and that management exists
22 because you can manage it through the PVCs even if

1 the PVP management is not yet available.

2 Q. Just to cut to the chase, I gave your
3 counsel I think a couple days ago a document that I
4 wanted you to take a look at.

5 A. Yes, sir.

6 Q. This was an attachment to Mr. Keown's
7 rebuttal testimony.

8 A. Yes.

9 Q. And this document was I think marked as
10 JEK-R-4, meaning Exhibit 4 to Mr. Keown's rebuttal
11 testimony.

12 A. Yes, and just to make sure that that is
13 the response, it's discovery request 13?

14 Q. This is Alcatel's response to a
15 discovery request, correct?

16 A. Yes, and it is listed as discovery
17 request 13. Am I correct? I believe we're looking
18 at the same thing.

19 Q. Yes, we are, sir.

20 A. Okay.

21 Q. And you read that, correct?

22 A. Yes, sir.

1 Q. Did you have a reaction to it?

2 A. My reaction at this point is that while
3 the Release 11 will not have direct management for
4 the PVP itself, you still are able to manage the
5 traffic, as I just indicated a minute ago, through
6 the use of the PVCs since each PVC has a maximum
7 and minimum rate that can be set both up and down
8 stream.

9 The portion that has to go along with h
10 that that has to be recognized is the PVCs are
11 specifically assigned to a PVP. Therefore, on the
12 basis of which PVCs are assigned to any respective
13 PVP and the values of those PVCs, you can control
14 the PVP, particularly the maximum rate total
15 summation of all circuits that ride at PVP. You
16 may not control the minimum as you use a
17 combination of UBR as part of the PVCs, but you can
18 certainly control the maximum.

19 Q. Can you control the maximum if you use
20 UBR?

21 A. Yes, sir, but you said the maximum rate
22 that UBR is capable of.

1 Q. And in the unbundling scenario that
2 you're talking about, who sets the rates on the
3 PVCs?

4 A. You do based on our request. You
5 control the AMS system. You make the settings that
6 control the card values and those upstream and
7 downstream rates and therefore can manage because
8 you know also -- because you also control which
9 PVCs are assigned to which PVP. All of that is
10 handled in the AMS system that you would do. Well,
11 that you would -- you control the AMS system. You
12 make the entries. You set the settings that
13 control the cards and the PVCs and PVPs.

14 Q. Could you please direct your attention
15 to page 23? I have a quick question on 23 that
16 relates to the two sentences that appear at lines
17 17 through 20.

18 A. Okay. Which does include some
19 confidential data.

20 Q. And I will be careful not to mention the
21 numbers. I'm probably not very good at that, but I
22 will try this time.

1 A. Okay. I'll try too.

2 Q. Okay. We're talking here about
3 expanding throughput capacity. Correct?

4 A. That's correct.

5 Q. And we're talking about adding optics,
6 correct?

7 A. Ultimately you are replacing optics, but
8 it could be adding optics depending on which
9 upgrade is done. Yes.

10 Q. Okay. What is included in the two
11 numbers that are confidential? Is it just the
12 fiber or is it the electronics on both ends?

13 A. In these two numbers that are here,
14 these are the electronics on one end which are
15 references we responded to the data request. You
16 obviously would need that on both ends.

17 Q. Okay. So these are numbers that reflect
18 the electronics on one end of the fiber. Correct?

19 A. That's correct.

20 Q. Which end?

21 A. Either end, but you have to have the
22 same electronics on both ends.

1 Q. Well, in the Project Pronto architecture
2 we have different electronics on both ends,
3 correct?

4 A. No, not in your optics. The optics
5 cards, the transceivers are the same on both ends.

6 Q. And does this relate just to the
7 transceiver cards, these numbers?

8 A. No, it includes the SONET card that's
9 required to go with it to make the optics work.

10 Q. What about the equipment in which these
11 cards are inserted? Those aren't included,
12 correct?

13 A. That's correct.

14 Q. I'd like to direct your attention to
15 page 24 and 25 where you're talking about the fact
16 that under the present design, each card is wired
17 to only one SAI.

18 A. Right.

19 Q. Okay. And then I think over on page 25
20 at lines 5 and 6 and 7 you say that the SAI pairs
21 could just have easily been connected to allow the
22 appearance of four different SAIs on each ADLU

1 card. Correct?

2 A. That's correct, or whatever the
3 appropriate number of SAIs were behind the RT; you
4 know, whether it's up to four. I mean if you had
5 three SAIs, you'd repeat one at least.

6 Q. Up to a maximum of four.

7 A. That's correct.

8 Q. Okay. And I think you depict that on
9 JDD-4?

10 A. Yes, as one example of a way to do that.

11 Q. And you believe that's a more efficient
12 way to do it than the way we did it.

13 A. Yes. In fact, your own practices say
14 that is a more efficient way to do it. If you look
15 at your practice that was provided as part of data
16 response 11-11, if I have it correct,
17 Covad/Rhythms/ Sprint Eleventh Set of Data
18 Requests, Data Request 11, there is a confidential
19 document there called Project Pronto Loop Planning
20 Guidelines and Methods and Procedures dated July 6,
21 2001, and that agrees and says the method that I am
22 suggesting should be done, and I won't read it

1 unless we're in closed session.

2 Q. I appreciate that.

3 If Sprint has two customers in the same
4 SAI and Sprint owns the cards.

5 A. Right.

6 Q. And it's wired the way you propose, do
7 we have to use two slots?

8 A. No. Understand my proposal does not say
9 you would re-hard-wire it. That is an alternative.
10 What I am saying is the first choice should be and,
11 in fact, that is what your practice says should be
12 is a cross-connect within the RT, and the Alcatel
13 information that we got says that that can be done
14 and your practices say it should be done.

15 Q. Okay. Now you're talking about a
16 cross-connect field --

17 A. In the protector portion of the RT
18 housing itself, yes.

19 Q. Okay. And I think down on lines 13
20 through 15 you talk about wiring a portion of the
21 pairs differently than we have. Correct?

22 A. Right. The portion of the pairs being

1 that you could wire or cross-connect. The most
2 efficient part and what your practice relates to is
3 an entire cross-connect, but you could limit that
4 cross-connect to the ADSL channel bank instead of
5 --

6 EXAMINER WOODS: Hang on a second.

7 (Whereupon a portion of the
8 record was read back by the
9 Court Reporter.)

10 MR. SCHIFMAN: We stopped right after ADSL
11 channel bank.

12 A. You could apply the cross-connect just
13 to the ADSL channel bank cards, so that effectively
14 you've got an internal cross-connect only for the
15 ADSL portion of the RT and not the voice portion of
16 the RT.

17 Q. Did you review the testimony submitted
18 in this matter by Danny Watson and Mike Starkey?

19 A. I have looked at Mr. Watson's. I have
20 not looked at Mr. Starkey's.

21 Q. Are you aware that Mr. Watson talks
22 about the possibility of having a small

1 cross-connect field where you would terminate one,
2 two, three, or four binders of feeder pairs from
3 each SAI?

4 A. Yes.

5 Q. And even if you went to four binders,
6 that's not all the pairs that go to the ADSL cards,
7 correct?

8 A. That would be correct, but, you know,
9 it's how and how far the cross-connect is carried
10 could be an option from the standpoint of whether
11 they're carried to a portion that recognized that
12 percent of CLEC take or whether it's a portion of
13 the total, understanding that the same proportion
14 of cards or -- excuse me. The same inefficiency
15 for that last card for any SAI being hard-wired is
16 also true of the Ameritech latch card at each SAI.
17 By doing a cross-connect, it applies to all ADSL
18 cards. You therefore not only eliminate any
19 inefficiency that CLEC cards might produce, you
20 also eliminate the same type of inefficiency that
21 the Ameritech cards produce, so you've increased
22 the efficiency overall of all of those ADSL

1 circuits.

2 Q. Now in order to, to use your words,
3 eliminate the vacant card concerns except for one
4 possible partial card per carrier, to do that you
5 would have to have all the ADSL pairs terminate in
6 the cross-connect field. Correct?

7 A. Yes, and that's what your practice says
8 you should do.

9 Q. But that's not necessarily what
10 Mr. Watson is proposing or suggesting when he says
11 one, two, three, or four binders. Correct?

12 A. That would not be the full ADSL group.
13 That's correct.

14 Q. Now assume that the order is not revised
15 at all on rehearing and you get collocati on. Now
16 you've been in the hearing room and you've heard
17 Hearing Examiner Woods talk about virtual
18 collocation?

19 A. Yes.

20 Q. Is that what you want?

21 A. You need to ask Mr. Burt that.

22 Q. Okay.

1 A. He's the one doing the requesting.

2 Q. Do you have an understanding as to how
3 the collocation would work?

4 A. Generally speaking, I have a general
5 knowledge and that is that we would buy the cards,
6 we would sell them to you for a fee such as a
7 dollar or something like that, and then you would
8 deploy them. You would place those cards in the
9 slots, no matter which type of card they are,
10 whether they are ADSL or another service that is
11 ultimately developed or licensed by Alcatel or one
12 of their existing.

13 Q. Would each card be used only by one CLEC
14 or could you have multiple CLECs on the same card?

15 A. I'm not sure what our policy would be on
16 that. That would be better addressed to Mr. Burt.

17 Q. Okay. Are you aware that there's been
18 testimony filed in this matter by various CLEC
19 witnesses that suggests multiple CLECs for each
20 card?

21 A. Yes, I am.

22 Q. But you don't know how that would work.

1 A. Oh, I know how it would work. You mean
2 from a physical connection?

3 Q. I think we all know how it would work
4 from a physical connection standpoint. How would
5 it work from an ownership and collocation
6 standpoint?

7 A. I don't know. I haven't been involved
8 in that part.

9 Q. Okay. And we should direct those
10 questions to Mr. Burt.

11 A. Yes.

12 Q. Does the NGDLC operate as a DSLAM?

13 A. The ADSL channel banks have the
14 functionality of a DSLAM.

15 Q. And by that do I understand you to mean
16 that it splits the data and voice stream, it
17 packetizes, and it multiplexes?

18 A. Yes. That's part of what it does.

19 Q. Those are the DSLAM functionalities?
20 Those are the functionalities that make something a
21 DSLAM?

22 A. Well, there's a lot more than that, but

1 those are three of the basic parts of it.

2 Q. What does the multiplexing in the NGDLC?

3 A. What does the multiplexing?

4 Q. Yes.

5 A. The ABCU cards.

6 Q. Those are the ATM bank controller or

7 control unit cards?

8 A. Yes.

9 Q. Where do the ABCU cards reside?

10 A. In the ADSL channel bank.

11 Q. Could you hold on for just a second,

12 sir?

13 A. Yes.

14 (Brief pause in the proceedings.)

15 Q. Is there an ATM bank control unit in the

16 NGDLC?

17 A. Yes.

18 Q. Isn't that where the ABCU card resides?

19 A. That is the ABCU card.

20 Q. That's not the channel bank assembly, is

21 it?

22 A. No. The channel bank assembly holds all

1 of the cards, including the ABCU card and the ADSL
2 cards or other cards that are placed in it.

3 Q. And the ABCU card is something different
4 from the ADLU card that we've been talking about in
5 this case.

6 A. That's correct.

7 Q. I direct your attention -- I just have a
8 few more areas, and we are going to get you done in
9 less than an hour.

10 A. Okay.

11 Q. Mr. Bowen is smiling because he didn't
12 believe I would.

13 A. (Witness laughs.)

14 MR. BOWEN: I never had any doubt.

15 MR. LIVINGSTON: He has now entered the room.

16 Q. I'd like to direct your attention up to
17 page 34, and you're responding to one of
18 Commissioner Squires' questions.

19 A. Yes.

20 Q. And I think this question has to do with
21 technically feasible ways to bypass the OCD.

22 A. Yes.

1 Q. Well, the question was to bypass the
2 ILEC packet switching function, correct? Her
3 question is are there any technically feasible ways
4 to bypass the ILEC packet switching function. Is
5 that correct, Mr. Dunbar?

6 A. The second portion of it, and I did not
7 answer that.

8 Q. Okay. You did not answer that. Okay.

9 A. I answered the first question.

10 Q. And the first one is talking about
11 bypassing the OCD port. Correct?

12 A. That's correct.

13 Q. Now you say that there are very limited
14 circumstances under which this is technically
15 feasible. Correct?

16 A. Yes.

17 Q. What are those very limited
18 circumstances?

19 A. If one CLEC had sufficient traffic or it
20 chose to have its own -- whether it was sufficient
21 traffic or it used a DSLAM or it -- whatever
22 generated enough traffic for it to have its own

1 OC-3 or some portion of that where the traffic
2 warranted carrying it straight through to the
3 collocation cage where you would bypass. It would
4 not -- there would be enough traffic on that OC-3
5 that it would be a dedicated OC-3 and not a mixed
6 OC-3; a mixed in terms of different carriers'
7 traffic, as is the case if we are all using the ATM
8 portion of the NGDLC and we're all mixing traffic,
9 then the OCD would be needed to separate that
10 traffic. If just -- if we would use as a
11 hypothesis that Sprint would have sufficient
12 traffic where it would want either a collocated
13 DSLAM or a full bank of ADSL cards or something
14 like that where it had its own unique OC-3, that
15 OC-3 could be routed directly to the collocation
16 area in the central office and bypass the OCD since
17 there's no redirection of traffic required.

18 Q. What is an internally collocated channel
19 bank?

20 A. An internally collocated channel bank or
21 a DSLAM is one where we would collocate inside your
22 cabinet using the same frame space or channel space

1 that you would use if you put your channel bank in.
2 You know, there's space -- testimony has been given
3 where there's space in the cabinets. If we would
4 collocate internally based on that space a DSLAM or
5 we could collocate our own LiteSpan 2000 high-speed
6 channel bank for ADSL, whether it was that or our
7 own DSLAM or whatever, then we would use the fiber
8 connection and the protector connection in your
9 cabinet just like you do.

10 Q. So in order to bypass the OCD, just to
11 sum up for a rank layman, you'd need your own
12 OC-3c. Correct?

13 A. You'd need enough traffic where, yes,
14 your optical path that would normally be ported to
15 the OCD would be solely your own traffic or solely
16 one carrier's traffic or traffic to one destination
17 so it doesn't have to be split.

18 Q. Okay. And to put the traffic on that
19 separate dedicated OC-3c, you'd need some equipment
20 of your own that would be collocated, either a
21 LiteSpan channel bank assembly or a DSLAM.
22 Correct?

1 A. It's generally correct except your point
2 of something that we would have to own. If we had
3 sufficient traffic on your channel bank assembly
4 where we had enough ADSL cards where we were using
5 your channel bank and asked for that chain to be
6 broken and our own -- a separate OC-3 dedicated for
7 us to that channel bank, you could own it all
8 except assuming we would own the cards, and you
9 could still have a dedicated OC-3 that would bypass
10 the OCD.

11 Q. But in that circumstance, basically
12 you'd be taking over for your own dedicated use one
13 of our channel bank assemblies.

14 A. If we had that much traffic, that's
15 correct, and I'm just using that as an example to
16 show that there are situations where you could own
17 the equipment, so it's not just us owning it. It
18 could go either way. The ownership is not the
19 driver; the volume of traffic is.

20 Q. Did you make the decision not to answer
21 the second question in 8.B?

22 A. Yes, I did.

1 Q. Okay. Direct your attention to -- this
2 is the last area I do believe. I'm interested in
3 JDD-3 and the testimony which went way over my head
4 that appears on page 35. Am I correct that what
5 you're talking about there is depicted in JDD-3,
6 correct?

7 A. Let me have a chance to read it.

8 (Pause in the proceedings.)

9 It is to a point. What JDD-3 shows is
10 if we were to place a DSLAM in that location,
11 that's what the picture would look like, and that
12 was an attempt to show how the DSLAM would connect
13 internally within your cabinet if it was internally
14 collocated. My discussion on page 35 applies to
15 either that or if we, as I had just indicated,
16 would provide, as we could. We could just as
17 easily provide our own Alcatel LiteSpan high-speed
18 channel bank. In either case, that's how we would
19 make the connection to the SONET multiplexer.

20 Q. You'd have to connect the DSLAM to the
21 SONET multiplexer, correct?

22 A. Well, I say the multiplexer. If we're

1 using an OC-3, the only time you would have a
2 multiplexer would be if it was a LiteSpan 2012 and
3 we were taking an OC-3 and you chose to put it on
4 your OC-12 optics to ride back to the office.
5 Otherwise all we would be doing would be connecting
6 to an OC-3 fiber.

7 Q. Okay. Because the SONET multiplexer is
8 part of the common equipment in a LiteSpan 2000.
9 Correct?

10 A. It's in the channel banks of the
11 LiteSpan 2000 except for the TDM portion.

12 Q. Okay. It's not a separate piece of
13 equipment as it is in the 2012. Correct?

14 A. The only difference is you have a
15 multiplexer in the 2012 that takes the OC-3 to an
16 OC-12 level as the default optical electronics,
17 whereas the 2000 would have either two OC-3s or two
18 OC-3s that then utilize a wave division multiplex
19 or WDM multiplexer to put both the OC-3 and the
20 OC-3c for the ATM facilities on the same fiber,
21 which is really the default of what Alcatel has
22 designed for that configuration.

1 Q. Just to cut through it, what you're
2 depicting here would represent the Alcatel LiteSpan
3 2012, correct?

4 A. Not -- it could be either one.

5 Q. How do you access the copper pairs at
6 the protector frame?

7 A. If we were internally collocated, we
8 would have cabling from the back of the channel
9 bank to the protector area and provide protectors
10 on those segments just as the Alcatel channel banks
11 do.

12 Q. So you would have electrical protectors
13 between this protector and your splitter, correct?

14 A. No. What normally happens is you've got
15 the cabling that comes out of the back of the
16 channel bank that could either be used with one of
17 your protectors or a protector that could be
18 purchased separately. You would not put two
19 protectors behind each other.

20 Q. Would you use what's referred to as
21 wiggle tails to accomplish that?

22 A. I don't know what you mean by wiggle

1 tails.

2 Q. Okay. That's not a term that you're
3 familiar with?

4 A. No.

5 Q. How do you upgrade a LiteSpan 2000 to a
6 2012?

7 A. For that procedure, assuming, again,
8 that space would be available, you would, in fact,
9 place your 2012 optics either in space within the
10 RT or in an attached cabinet that would be limited
11 solely to a load that carries 2012 optics, and the
12 2012 optics would supply the OC-3 for the LiteSpan
13 2000, or you can turn around and use -- because
14 each one has protected optics, you can direct all
15 of your services to one optics. In other words,
16 just as you have a hot pair of optics and a spare
17 or standby pair, the current system would work on
18 the hot pair. You would take the channel banks
19 that normally go to the spare optical OC-3 and
20 rejunper those to the OC-12. (Telephonically
21 inaudible) using the ATM, you command the system to
22 then transfer the optics --

1 Q. You're going too fast.

2 JUDGE WOODS: We missed a word.

3 A. Okay. I'm sorry.

4 MR. SCHIFMAN: Wait one second. The Court
5 Reporter will read where you're at, Mr. Dunbar, and
6 then we'll continue from there.

7 A. Maybe the easier way to --

8 JUDGE WOODS: This is off the record.

9 (Whereupon at this point in
10 the proceedings an
11 off-the-record discussion
12 transpired.)

13 We're back on the record at this point.

14 Now complete your answer.

15 A. Okay. The easier way to describe it is
16 to refer to a document that was provided in
17 discovery. I'm not sure what it was in response
18 to. It is entitled the Request for Proposal Number
19 19980035 for BIGDLC.

20 JUDGE WOODS: For what kind of DLC?

21 MR. BINNIG: BIG, B-I-G.

22 A. For BIG. It's one word, B-I-G-D-L-C.

1 It's specifications to the RFP Attachment 2. It is
2 a confidential document provided by Alcatel. On
3 page 37 of that attachment it describes how a
4 LiteSpan 2000 can be upgraded to a LiteSpan 2012 to
5 go to OC-12 optics or as far as even OC-48 optics
6 without a service disruption.

7 Q. Have you completed your answer? Sir?

8 A. Yes. Just to relate that that reference
9 that I'm making to is at that point the DSC or now
10 Alcatel describing how precisely to do that --

11 MR. SCHIFMAN: Mr. Dunbar, stop. At that
12 point --

13 MR. BINNIG: DSC.

14 MR. SCHIFMAN: DSC.

15 A. Or now Alcatel describe precisely on how
16 to accomplish that upgrade, be it from an OC-3 to
17 an OC-12 or even to an OC-48.

18 Q. Thank you.

19 Could we go back to the multiple PVPs
20 for a second?

21 A. Yes.

22 Q. If Release 11 is successfully developed

1 and tested and deployed and if a CLEC then obtains
2 an unbundled PVP, now assume that the CLEC
3 designates PVCs that exceed the size of that PVP.
4 Can you make that assumption?

5 A. No, I can't because you're in control.
6 How would I do that --

7 Q. No, you're not listening to the
8 question, sir. My question is the CLEC designates
9 PVCs that exceed the size of the PVP. Can you
10 assume that a CLEC might do that? Can you make
11 that assumption with me?

12 A. I will make that assumption. I don't
13 agree with it, but I will make it.

14 Q. Okay. Now if that happened, Ameritech
15 could say no, we won't give you that, correct?

16 A. What Ameritech should reply at that
17 point, Ameritech should say no; that you would need
18 an additional PVP or to expand the capacity of the
19 existing PVP because it would have been overloaded.

20 Q. Would Ameritech Illinois have to manage
21 and administer this process in order to determine
22 that the designated PVCs don't, in fact, exceed the

1 PVP?

2 A. I think both companies would have to
3 administer it. The data to do that is resident on
4 the MS system where it can be handled because all
5 of the information relative to those connections is
6 maintained. It would be a fairly simple PC-based
7 ability to do that.

8 Q. Whether simple or not, that's something
9 Ameritech would have to do. It would have to
10 manage and administer the process to determine that
11 the specified PVCs do not, in fact, exceed the PVP.
12 Correct?

13 A. Yes. So would the CLEC in order to make
14 sure you don't oversubscribe and tell your customer
15 he's going to get something he doesn't get.

16 MR. LIVINGSTON: I move to strike the stuff
17 about what the CLEC would have to do. It's not
18 responsive to my question.

19 MR. SCHIFMAN: Your Honor, the question was
20 duplicative of the one just prior to that.

21 MR. LIVINGSTON: I didn't get an answer to
22 that one either.

1 JUDGE WOODS: The answer will be stricken, but
2 we'll get it on redirect, so.

3 MR. LIVINGSTON: I have nothing else. Thanks.

4 Mr. Schiffman.

5 MR. SCHIFMAN: One second. I want to just
6 look through my notes.

7 JUDGE WOODS: Okay.

8 (Brief pause in the proceedings.)

9 REDIRECT EXAMINATION

10 BY MR. SCHIFMAN:

11 Q. Mr. Dunbar, can you describe for the
12 Commission how a CLEC would also have to manage and
13 administer its traffic relevant to the last
14 question that Mr. Livingston just asked you?

15 A. Yes. If a CLEC requested a PVP and
16 subsequent PVCs that would be assigned to that PVP,
17 in order to ensure that the customer got the value
18 of the PVC that they were paying for, and that is a
19 -- by that I mean a retail customer, whoever we
20 sold that service to, we would have to ensure that
21 if we told you or any CLEC told you that that needs
22 to be assigned to PVP X, we would have to know that

1 that capacity was available in order to ensure that
2 we met the customer requirements of what we were
3 selling.

4 Q. Mr. Dunbar, taking you back to some
5 questions regarding collocation of plug-in cards
6 and wiring from one SAI to a particular card, how
7 many ports does Ameritech currently support in its
8 NGDLC environment per card?

9 A. Per card right now it's two. They're
10 dual cards. The quad card has been announced as
11 part of software Release 11.

12 Q. So the quad card is not available to
13 your knowledge right now?

14 A. That's correct.

15 Q. Does that have any effect on Mr. Keown's
16 cost analysis?

17 A. Well, it means that --

18 MR. LIVINGSTON: That's beyond the scope of
19 cross.

20 JUDGE WOODS: I think it is.

21 MR. SCHIFMAN: I'll withdraw it.

22 MR. LIVINGSTON: He started to answer. I move

1 to strike anything he said.

2 (Laughter)

3 MR. BOWEN: No. That would make the record
4 shorter.

5 MR. SCHIFMAN: No objection to that.

6 Wait, one moment, Mr. Dunbar.

7 THE WITNESS: Sure.

8 Q. Mr. Livingston asked you a few questions
9 about whether a PVC can do anything on a
10 stand-alone basis. Do you recall that question?

11 A. Yes.

12 Q. Can any unbundled network element in the
13 telecommunications environment do anything on a
14 "stand-alone basis" without being connected to any
15 other elements of the telecommunications network?

16 A. No, it cannot.

17 MR. SCHIFMAN: No further questions.

18 MR. LIVINGSTON: I think my question was this.
19 Can I ask one more question?

20 RECROSS EXAMINATION

21 BY MR. LIVINGSTON:

22 Q. Can you get access to a PVC on a

1 stand-alone basis? I'm not asking whether you can
2 use it on a stand-alone basis, but can you access
3 it on a stand-alone basis?

4 A. Please define for me then what you mean
5 by access.

6 Q. Can you take it and use it somewhere
7 without also taking the electronics attached to
8 both ends?

9 A. No.

10 MR. LIVINGSTON: I have no questions, no
11 further questions.

12 JUDGE WOODS: Okay. Thank you, Mr. Dunbar. I
13 hope you have a good vacation, sir.

14 THE WITNESS: Thank you very much.

15 MR. SCHIFMAN: Okay. Thank you, Jim.

16 (Witness excused.)

17 JUDGE WOODS: Okay. Let's go off the record.

18 (Whereupon a short recess
19 was taken, during which
20 Ameritech Illinois Rehearing
21 Exhibits 5.0 and 5.1 were
22 marked for identification.)

1 JUDGE WOODS: We'll go back on the record.

2 Before taking the next witness I do
3 think there's at least one and perhaps more
4 housekeeping issues we need to take care of. The
5 first one involves an e-mail that I think has been
6 discussed on a couple of occasions. It was
7 apparently sent unsolicited to Mr. Bowen.
8 Mr. Bowen, based upon that unsolicited receipt, has
9 now moved that it be deemed not confidential. Is
10 that correct, Mr. Bowen?

11 MR. BOWEN: That's one of the grounds, Your
12 Honor.

13 JUDGE WOODS: Okay.

14 MS. MANN-STADT: And I would like to comment
15 that we completely disagree with his basis that it
16 was unsolicited.

17 JUDGE WOODS: Okay.

18 MR. BOWEN: Are you saying that I sent John
19 Maddock an e-mail asking for this information?

20 MS. MANN-STADT: No, I did not.

21 MR. BOWEN: Okay. Well.

22 MS. MANN-STADT: But it's our belief, based on

1 our conversation with John Maddock, that Mr. Bowen
2 attended a workshop I believe it was with the
3 California PUC, and it was in that scenario that
4 this information was requested, and Mr. Maddock
5 reasonably believed, first of all and most
6 importantly, that he had confidential protection
7 within that workshop, and he believed that the
8 leader of the workshop had requested that he send
9 it to Mr. Bowen who was interested in the
10 information as well. He clearly would have
11 consulted with counsel if he believed that it was
12 going to breach any confidentiality. It's nothing
13 but an inadvertent disclosure. It was not
14 intentional, and the information, the substance of
15 it is absolutely consistent with everything that
16 Dr. Ransom was trying to protect and that what we
17 did on closed record which is predictions about the
18 capabilities of Release 11.

19 MR. BOWEN: Could I be heard, Your Honor?

20 JUDGE WOODS: Sure.

21 MR. BOWEN: I take it that Ms. Mann-Stadt is
22 referring to a workshop that was ordered by the

1 judge in the similar California case, the line
2 sharing case in California. This was a three-day
3 technical workshop that was held both on and off
4 the record, not on and off the sealed record but on
5 and off the open record by Judge Karen Jones, and
6 at no time -- having attended that meeting all
7 three days myself, I can represent to the court
8 that at no time did anybody say anything about
9 information being confidential. That was never
10 raised, it was never discussed, nor was it ever
11 even ordered, so I don't know on what basis Ms.
12 Mann-Stadt is representing to you that there was
13 any kind of confidentiality. In fact, this was an
14 open workshop on the technology of fiber-fed DLC
15 and line sharing where several people made
16 presentations. I made one for Rhythms. Chris
17 Boyer presented, in part, for SBC/Pacific Bell. I
18 frankly don't even remember -- there were Alcatel
19 representatives there; I think a different one each
20 day. I don't even remember Mr. Maddock's name,
21 although I don't doubt that he was one of the ones
22 that was there. I made no direct request in

1 writing to him for the information.

2 I did ask, because I was aware of the
3 possibility of Release 11 containing more than one
4 PVP per channel bank assembly, I did ask the
5 Alcatel representatives there for more information,
6 but I didn't say, you know, this is a big secret
7 and I know. I said can you tell us what you can
8 tell us. So that was the actual circumstance
9 there, just to correct that.

10 Second of all, I mean Mr. Maddock knew
11 that I was a Rhythms' representative, knew that I
12 was a lawyer because I said so in the meeting, with
13 apologies to all attending, and so, you know, there
14 could be no doubt of who I was and what I was there
15 for. So that's the facts of that.

16 MS. MANN-STADT: I think that's far-reaching
17 from that you just inadvertently -- not
18 inadvertent. I think your word was that this was
19 an unsolicited disclosure to you. I think that's
20 quite a leap from that.

21 MR. BOWEN: Your Honor, could I just please
22 finish my response, and then if Ms. Mann-Stadt has

1 something else to say she can take her turn?

2 JUDGE WOODS: Yes, you may.

3 MR. BOWEN: Okay. Thank you.

4 With respect to the substance of this, I
5 would submit to you that this is simply not the
6 kind of document that should at this point in time
7 stay secret. That is, what we have here on the
8 open record is detailed information about the
9 timing of the release, of Release 11 for client
10 testing. We all know that that's going to happen
11 in August of this year, which at this point is,
12 gee, about ten days away. The fact that there are
13 multiple PVPs per channel bank is also known. I
14 frankly don't see -- and this is not speculation.
15 This e-mail, as you can see from reading it, says
16 that Alcatel has committed to this particular
17 number of PVPs per channel bank. That is this is
18 not speculation. As of May of this year, in fact,
19 Alcatel committed to SBC to deliver this number of
20 PVPs per channel bank. So this is a key issue in
21 this case, and there simply is no reason to hide
22 the number at this point. It is a commitment that

1 Alcatel will meet because they've said so, and
2 there's no reason -- I mean SBC knows this.
3 There's no reason that the rest of us who are
4 forced to use this platform shouldn't know it as
5 well, and the Commission should know this as well
6 on the open record.

7 MS. MANN-STADT: Your Honor, it just
8 absolutely baffles me to hear some of the
9 characterizations here. If I could read from a
10 part of this that is not necessary to be on the
11 closed record to refute an absolute
12 misrepresentation that we've just had.

13 One of the basis that Mr. Bowen just
14 said is because Alcatel has committed this is what
15 Release 11 will contain, and may I quote: "This
16 information is our design goal and has not been
17 tested. The exact limits may differ in the release
18 based on the actual system testing." That's about
19 as far from a commitment as I can describe. It's a
20 goal. It clearly states that here.

21 We're spending a lot of time arguing
22 about something that's proprietary information to

1 Alcatel that they couldn't tell you right now, and,
2 in fact, Dr. Ransom's testimony was that they
3 anticipated customer testing would begin, and on
4 redirect he made it clear that anticipated dates do
5 not always hold, so we don't even know for sure
6 that it will begin testing then.

7 It's not being kept from parties in
8 here. It's simply being put on the closed record
9 with protection for a nonparty, in fact, to be able
10 to protect their intellectual property. That's
11 all.

12 JUDGE WOODS: Okay. It will remain
13 confidential.

14 MS. MANN-STADT: Thank you.

15 JUDGE WOODS: Next witness.

16 Were you previously sworn, sir?

17 MR. HAMILTON: Yes, I was, Your Honor.

18 JUDGE WOODS: Okay. Your next witness.

19 MR. BINNIG: Your Honor, Ameritech Illinois'
20 next witness is Derrick Hamilton.

21 JUDGE WOODS: Okay.

22

1 DERRICK F. HAMILTON
2 called as a witness on behalf of Ameritech
3 Illinois, having been first duly sworn, was
4 examined and testified as follows:

5 DIRECT EXAMINATION

6 BY MR. BINNIG:

7 Q. Mr. Hamilton, could you state your full
8 name and business address for the record, please?

9 THE WITNESS:

10 A. Yes. My name is Derrick Francis
11 Hamilton. My business address is 1010 Wilshire
12 Boulevard, Los Angeles, California 90017.

13 Q. And, Mr. Hamilton, do you have with you
14 two pieces of pre-served testimony? The first will
15 be marked for identification as Ameritech Illinois
16 Rehearing Exhibit 5.0. That's entitled the Direct
17 Testimony on Rehearing of Derrick Hamilton
18 consisting of 20 pages of typed questions and
19 answers. Do you have that?

20 A. Yes, I do.

21 Q. Was this exhibit prepared by you or
22 under your supervision and direction?

1 A. Yes, it was.

2 Q. Do you have any additions or corrections
3 to Ameritech Illinois Exhibit 5.0, Rehearing
4 Exhibit 5.0?

5 A. Yes, I have several.

6 Q. Could you tell us those, please?

7 A. The first appear on page 7, and the
8 first correction is on line 14. There should be a
9 lower case "s" following three upper case letters
10 "PVC".

11 On line 17, the word that begins the
12 sentence that starts on that line, "T-H-E" should
13 be "This", T-H-I-S.

14 On line 20 the word "customer" should be
15 "connecting". That completes the changes for page
16 7.

17 On page 14, line 15, the word "site",
18 S-I-T-E, should follow "RT" which is in capital
19 letters. That is the only change on page 14.

20 On page 16 on line 10 the word
21 "terminals" should be singular, striking the s, and
22 the word "site", S-I-T-E, should follow that.

1 On line 11 the words "a remote terminal"
2 should be replaced with "for example, a CEV", all
3 caps, C-E-V.

4 On line 13 the word "sites", S-I-T-E-S,
5 should follow "RT". On line 14 the words "remote
6 terminals" should be replaced with the word
7 "sites", S-I-T-E-S. That concludes the changes on
8 page 16.

9 And the final change is on page 20. On
10 line 10 there is an upper case A and a period, and
11 that should be removed. It is part of the previous
12 -- it's a continuation of the answer previously.

13 Those are all the changes.

14 Q. With those changes, Mr. Hamilton, if I
15 were to ask you the questions set out in Ameritech
16 Illinois Rehearing Exhibit 5.0 today, would your
17 answers be the same just as you've corrected them
18 now on the stand?

19 A. Yes, they would.

20 Q. And then I'd like to turn your attention
21 to what's been marked for identification as
22 Ameritech Illinois Rehearing Exhibit 5.1 entitled

1 Rebuttal Testimony on Rehearing of Derrick Hamilton
2 consisting of six pages of typed questions and
3 answers. Do you have that document with you?

4 A. Yes, I do.

5 Q. Was Ameritech Illinois Rehearing Exhibit
6 5.1 prepared by you or under your supervision and
7 direction?

8 A. Yes, it was.

9 Q. Do you have any additions or corrections
10 to Ameritech Illinois Exhibit 5.1?

11 A. I do not.

12 Q. If I were to ask you the questions set
13 out in Ameritech Illinois Exhibit 5.1 today, would
14 your answers be the same as reflected in that
15 exhibit?

16 A. Yes, they would.

17 MR. BINNIG: We would move for the admission
18 of Ameritech Illinois Rehearing Exhibits 5.0 and
19 5.1 and tender the witness for cross-examination.

20 JUDGE WOODS: Objections?

21 MR. BOWEN: No objections.

22 MR. SCHIFMAN: No.

1 JUDGE WOODS: The documents are admitted
2 without objection.

3 (Whereupon Ameritech
4 Rehearing Exhibits 5.0 and
5 5.1 were received into
6 evidence.)

7 The witness is available for cross.

8 MR. BOWEN: Thank you, Your Honor.

9 CROSS EXAMINATION

10 BY MR. BOWEN:

11 Q. Good morning, Mr. Hamilton.

12 A. Good morning, Mr. Bowen.

13 Q. Let me ask you, first, you don't provide
14 in your testimony, either your direct or rebuttal
15 testimony, any particular quantification of the
16 costs that you're identifying, do you?

17 A. No, I do not.

18 Q. Okay. But you do testify at various
19 points to millions and tens of millions of dollars
20 for various components of what you think you need,
21 right?

22 A. Yes, I do.

1 Q. Okay. Let me ask you; did you develop
2 your testimony -- leave your lawyers aside and
3 think with me of other people in the company or
4 other people that support your operation support
5 systems, the third-party systems. If that's the
6 universe of people you're thinking about, did you
7 contact anybody via e-mail or in writing to help
8 you prepare your testimony, either your direct or
9 your reply testimony?

10 A. No, I did not.

11 Q. Okay. So this is all just written from
12 your personal knowledge? Is that right?

13 A. From my personal knowledge and from
14 conversations that I've had with folks who are in
15 the area of systems, and I also have extensive
16 experience with our systems.

17 Q. Okay. But you didn't do any formal
18 calculations before you testified to the millions
19 and tens of millions of dollars. Is that right?
20 No spreadsheets, no notes, no back-of-the-envelope
21 calculations? Is that fair?

22 A. At this point, knowing what we know now,

1 the way that I approached it was using my
2 experience of running a number of organizations
3 within our company, and what I attempted to do was
4 to understand what was being placed before me in
5 terms of what would have to be accomplished. I
6 have pretty extensive experience running a number
7 of logistical operations within our company, and it
8 is upon that that I based the estimates to give a
9 sense of what it would take in order to do this.
10 Until we get an exact architecture, determine the
11 number of sites that would be in place to handle
12 the logistics that are described in my direct
13 testimony, it would be very difficult to pin point
14 an exact dollar figure.

15 Q. Granted, but wouldn't it be possible to
16 make estimations on what you knew from the order?

17 A. It still isn't clear, based on what I
18 understand at this point, as to which approach we
19 would take, and so my answer encompasses a number
20 of different approaches that could be taken.

21 Q. Okay. Well, one of your outside vendors
22 for some of our OSSs is Telcordia, right?

1 A. Yes, it is.

2 Q. They do the switch in TIRKS and LFACS
3 and those systems, right?

4 A. Yes, they do.

5 Q. Did you ask anybody at Telcordia what
6 might be required even in order of magnitude to
7 implement the kinds of changes that you think are
8 necessary?

9 A. In order to get an order of magnitude
10 estimate from Telcordia, it usually takes several
11 months. They have a process whereby you as a
12 customer are obligated to provide a high level set
13 of requirements. Developing a high level set of
14 requirements takes time. They then read those
15 requirements and share them with their experts who
16 then take some time to develop an estimate, and
17 then that estimate is returned to us. In the time
18 that I was asked -- from the time that I was asked
19 to prepare my testimony until the time that the
20 testimony was due that wasn't possible.

21 Q. Okay. Well, let's talk about that.
22 When were you first approached to develop testimony

1 in any one of the cases that the Commission has
2 been considering these issues?

3 MR. BINNIG: I'll object to that question.
4 He's providing testimony in this case. That's the
5 only case he's providing testimony in.

6 MR. BOWEN: I'll withdraw the question and
7 reask it in multiple parts for Mr. Binnig's
8 convenience.

9 Q. Are you aware that this Commission has
10 addressed these same issues one or more times
11 before?

12 MR. BINNIG: I'll object to the relevance,
13 Your Honor. We've already been down this road.

14 JUDGE WOODS: It's foundational. He can
15 answer.

16 A. Yes, I am.

17 Q. Okay. Can you just share with us your
18 knowledge of how many times this Commission has
19 addressed this issue?

20 MR. BINNIG: I'll again object as to the
21 relevance.

22 JUDGE WOODS: Overruled.

1 A. My understanding is from when I was
2 first asked a month or so -- well, not even that
3 long actually, just a little more than two weeks
4 before I filed my testimony was that this had been
5 addressed before. I didn't feel it was necessary
6 for me to understand all the dates and times and
7 proceedings and what had occurred before. I was
8 being asked to provide testimony for this case.

9 Q. And you said two weeks before you filed
10 it?

11 A. A little more than that.

12 Q. Okay. Fair enough. Do you know whether
13 or not the Commission ordered line card collocation
14 in any other phase of this proceeding or in any
15 other case?

16 A. It was expressed to me that there were
17 previous proceedings that had resulted in our
18 needing to come here for rehearing. The exact
19 logistics of that I do not know.

20 Q. Okay. Do you know whether or not the
21 Commission ordered line card collocation in August
22 of last year in a case?

1 A. That sounds about right.

2 Q. And did you know that at the time or
3 soon after it happened?

4 A. I knew there was an order in August. I
5 did not know the details at that time, no.

6 Q. When did you first become aware that the
7 Commission might have or had ordered line card
8 collocation of CLEC-owned line cards in NGDLCs?

9 A. I'd say, in general, sometime around the
10 May /June time frame.

11 Q. Of 2001?

12 A. Yes, sir.

13 Q. Okay. Thank you.

14 Now, were you asked to or was it your
15 goal to make things seem as difficult as possible
16 to implement the Commission's Line Sharing Order?

17 A. No. My goal was to paint a realistic
18 picture of some of the difficulties that exist in
19 implementing what I understand the order to say at
20 this point.

21 Q. All right. Well, I want to pose a
22 hypothetical to you, Mr. Hamilton. You know who Ed

1 Whitacre is, right?

2 A. Yes, I do.

3 Q. Okay. If Mr. Whitacre asked for a
4 meeting with you and said that he wanted you to
5 find a way to implement the Commission's order,
6 that is to allow CLEC line card collocation, and he
7 wanted to do it fast, efficiently, and without any
8 whining or moaning and then file testimony with
9 this Commission to show how SBC planned to
10 implement the Commission's order, would you have
11 filed the same testimony?

12 MR. BINNIG: I'm going to object to the
13 argumentative nature of the question.

14 JUDGE WOODS: Sustained.

15 MR. BOWEN: Okay.

16 Q. Now your background is in special
17 services. Is that right?

18 A. Among other things, yes.

19 Q. Okay. You said you're currently
20 responsible for special services and data services
21 support. Right?

22 A. That is correct.

1 Q. Okay. Now, is part of that -- where
2 does line sharing fall? Is that part of your
3 responsibility right now? That is, are the OSSs
4 associated with line sharing part of your
5 responsibility right now?

6 A. On the telco side, yes.

7 Q. What do you mean on the telco side?

8 A. There are a set of systems that our
9 affiliate uses for line sharing. I'm not
10 responsible for those.

11 Q. So you're responsible for the systems
12 that support line sharing, both internally
13 homegrown and third parties such as the Telcordia
14 systems. Is that right?

15 A. I'm responsible for some of the systems.
16 I'm more directly responsible for the processes
17 that the network organization uses. There are a
18 number of other organizations that are involved in
19 the process such as wholesale which takes the
20 orders from the CLEC customers. I do not have
21 responsibility for that area. There's also billing
22 which I don't have responsibility for.

1 Q. Well, is it fair to say you're
2 responsible for the business processes that are
3 enabled by the company to do line sharing?

4 A. No, not end to end. I actually have
5 other senior manager partners who work with me in
6 wholesale, in billing. Collectively we are
7 responsible for the business processes.

8 Q. Okay. So what's your particular slice
9 of the responsibility?

10 A. Network.

11 Q. And what does that mean? When it comes
12 to line sharing, what does the network piece of
13 that mean?

14 A. It's the provisioning, maintenance, and
15 repair responsibilities.

16 Q. And how does that interface with the OSS
17 that's required to support those functions? That
18 is, do you oversee OSS changes that are required to
19 accomplish line sharing?

20 A. No. That's actually done by our IT
21 department.

22 Q. Okay. So you're provisioning, repair,

1 and maintenance for network. What does that mean?

2 A. That means that the people in my
3 organization support the users who -- support the
4 technicians and administrators who are responsible
5 for provisioning maintenance and repair and also
6 support the systems that they use.

7 Q. Okay. And do you write, for example, or
8 do your people write methods and procedures?

9 A. Yes, they do.

10 Q. Okay. But I take it that you don't --
11 it's the IT people that specify and deal with the
12 OSS changes that might be required for any
13 particular offering. Is that right?

14 A. No, it's a partnership actually. What
15 my folks do is they write the business
16 requirements, so we interface with Wholesale to
17 understand what products they want to offer. We
18 determine what has to be done in the network both
19 in terms of processes and system change
20 requirements. We write those requirements and we
21 share them with IT, and then IT actually codes,
22 tests, and implements them.

1 Q. If it's homegrown. They code if it's a
2 homegrown system, and they work with third party
3 vendors if it's outsourced. Is that right?

4 A. That is correct.

5 Q. Okay. So then you and your group have
6 been involved with the business requirements to
7 implement line sharing. Is that fair?

8 A. Yes, it is.

9 Q. And am I right that there have been two
10 phases of that within SBC, the first phase being
11 line sharing on all copper loops and the second
12 being line sharing on the Pronto architecture?

13 A. Yes.

14 Q. Okay. And were you involved in both of
15 those phases?

16 A. Yes.

17 Q. All right. If you'll pick up your
18 direct testimony at page 3 with me, please, and I
19 know you address -- this is -- at the bottom of the
20 page there's kind of an opening summary kind of
21 thing. I'll ask you more questions in some more
22 detail, but I want to address a couple of questions

1 to you where you first address these points.

2 Do you see your testimony beginning at
3 line 15 where you talk about the ripple effect of
4 allowing collocation of line cards?

5 A. Yes, I do.

6 Q. I guess I should say CLEC-owned line
7 cards. That's what you're talking about, right?

8 A. Yes, it is.

9 Q. And there on line 17 you're talking
10 about allowing collocation of line cards in advance
11 of any order. Do you see that?

12 A. Yes, I do.

13 Q. Okay. Well, I guess I'm curious. Isn't
14 it the case that SBC in the Project Pronto
15 architecture routinely installs line cards in
16 advance of demand? I'm talking about NGDLC
17 LiteSpan cards.

18 A. It installs them at the time that that
19 unit is placed, yes.

20 Q. No. It installs them in advance of
21 actual demand for the services that can be carried
22 by those individual cards.

1 A. Yes.

2 Q. In other words, it installs 10 or 20 or
3 30, right?

4 A. Yes.

5 Q. Okay. Isn't the common practice for SBC
6 not just for line sharing but for all services
7 supported by NGDLC to install somewhere between six
8 and twelve months' worth of demand -- cards to
9 support six to twelve months' of demand for that
10 service?

11 A. I understood the number to range more
12 than that, more like six to twenty-four months.

13 Q. Six to twenty-four months.

14 A. Uh-huh.

15 Q. Okay. Fair enough. And that probably
16 is a function of the company's best look at the
17 take rate or the growth rate for the service that
18 card supports. Is that fair?

19 A. Yes, based on trend and current take
20 rate.

21 Q. Okay. In other words, you're trying to
22 -- is it fair to say you're trying to balance the

1 investment that you have in cards and the space
2 those cards occupy, and you don't want to spend --
3 you don't want to have capital just sitting out
4 there needlessly or capacity occupied needlessly?
5 On the other hand of the spectrum, you don't want
6 to roll a truck each time you get a new service
7 order and put a card in, right? That's the two
8 kind of balancing things here you're going through?

9 A. That's a proper characterization.

10 Q. And where you fit that balance right now
11 is that six to twenty-four months, depending upon
12 the growth rate and the cards and so forth, is what
13 you think is the right thing to do to put -- that
14 is to put cards in to support that level of demand
15 growth strikes that proper balance, right?

16 A. Yes.

17 Q. Okay. And there's nothing magic about
18 that calculation. I mean anybody can do that,
19 right? You do it for your facilities, Rhythms does
20 it for its facilities, so does Covad, so does
21 Sprint, so does everybody, right?

22 A. I would say that the main differences

1 between one company and the next doing that would
2 depend on their business model, their cost of
3 capital, their supply chain management, a host of
4 other factors, so I would not agree that all
5 companies do it the same or as well as each other.

6 Q. I didn't say the same. I said all
7 companies do it. Isn't that fair?

8 A. Okay.

9 Q. Okay. For example, take yourself back
10 to all copper line sharing, and you know that
11 Rhythms wants to own and install its own splitters
12 and does so in its collocation cages. Right?

13 A. That's my understanding.

14 Q. So wouldn't Rhythms go through the same
15 kind of process where it says, gee, I've got to try
16 and figure out how many orders I'm going to have
17 here so I can know, you know, how many splitter
18 shelves to put in? It goes through the same kind
19 of calculus where I don't want to go out there each
20 time I get an order and put a card in there, so
21 I'll put one shelf in initially and then grow that
22 on a demand projection, right?

1 A. That's a pretty good rough estimation of
2 what would have to happen.

3 Q. Okay. All right. So are you saying --
4 then on line 18 and 19 you talk about having to
5 install -- I'm going to do the install and replace
6 in two different sets of questions, okay? Focus on
7 the install there. You say you have to install
8 individual cards on a case-by-case basis. You
9 wouldn't have to do that, would you? That is you
10 could -- I don't want to just leave the question
11 open. Isn't it true that you could have CLECs do
12 exactly what Ameritech does, that is, estimate
13 their demand for the next six to twenty-four
14 months, and put their cards in in a bunch just as
15 you have testified you do on a routine basis for
16 your services? That's possible, right?

17 A. I would actually have very serious
18 concerns with that based on the experience that
19 we've had with splitters.

20 Q. I just asked you if it was possible
21 first, and you can explain why you don't think it's
22 a good idea, but is that possible to do that?

1 A. I think It would have very negative
2 effects on capacity.

3 Q. Is it possible, Mr. Hamilton?

4 A. I would suppose so.

5 Q. Okay. Could SBC's installation of
6 enough ADLU cards for the next 24 months of demand,
7 could it have a negative effect on capacity?

8 A. Given the multiple uses of the ADLU
9 cards today and their potential to serve POTS
10 services as growth, I would say no.

11 Q. So it would be okay for Ameritech to put
12 in 24 months of demand worth of ADLU cards, but it
13 wouldn't okay for Rhythms to put in say three cards
14 per SAI for initial rollout for the next six
15 months. Is that your testimony?

16 A. I guess I'm not certain what you mean by
17 would be okay. From what perspective?

18 Q. From a capacity constraint perspective
19 as you testified.

20 A. My testimony wouldn't be that it would
21 be okay for SBC and not for Rhythms. My concern is
22 with the group, the community and the burden it

1 would place, not any one particular CLEC customer.

2 Q. So you're saying I guess then that in
3 total, if you let multiple CLECs place more than
4 one card at a time, you can foresee some problems.
5 Is that right?

6 A. Yes.

7 Q. And so you wouldn't want to do that, but
8 you would be happy to have SBC still deploy enough
9 cards for 24 months of growth. Is that right?

10 A. Well, I look at it more as it's kind of
11 like insurance where if you get a group together,
12 you're going to have less of a chance of any one
13 party being negatively impacted than if they all
14 have to hold their risk individually, and I think
15 that's the risk.

16 Q. Okay. Well, let's talk about insurance.
17 One of the ways you can minimize that risk is by
18 pooling, right? Just conceptually.

19 A. I think that's what we do today.

20 Q. Okay. One of the ways you can minimize
21 the risk that you've identified, the capacity risk,
22 would be to allow CLECs to pool; that is to share

1 an individual card. Isn't that right?

2 A. Again, I think that's what we do today.

3 Q. Okay. That is when you own the card,
4 you can have Rhythms on port number 1 and Covad on
5 port number 2 and so forth. Right?

6 A. Correct.

7 Q. Well, if the Commission's order is
8 finally implemented and we get to own the line
9 cards, I guess Rhythms and Covad could share a card
10 that Rhythms owned, right?

11 A. Not understanding whether there are, you
12 know, legal or liability issues, I would say I
13 don't see why not.

14 Q. Okay. Or SBC could administer some kind
15 of pooling arrangement, could it not, where we all
16 delivered a bunch of cards to you, say ADLU cards
17 that were Alcatel built or Alcatel licensed, of the
18 proper, current vintage and you simply manage those
19 cards as a pool. That's possible, right?

20 A. Again, I think we do that today with the
21 exception of the cards coming from the CLEC.

22 Q. I'm talking about it would be possible

1 for us to own cards, deliver them to you, and have
2 you deploy those cards and allow us to share ports
3 on individual cards that one of us owned. That's
4 possible, right?

5 A. If we throw enough resource at it,
6 certainly.

7 Q. Okay. Wouldn't it also be possible for
8 us to all buy cards, deliver them to you, have you
9 administer or receive those cards, and in doing so
10 give us a port credit for each port on the cards we
11 gave you and have you then allow us to order that
12 port to be enabled on any NGDLC, not just the ones
13 where the cards that we owned happen to reside?

14 A. I don't believe so.

15 Q. Okay. Would you know if SBC had ever
16 considered what I've just described as an option
17 for card ownership? That is the delivery and
18 pooling and crediting of ports?

19 A. Yes, we have.

20 Q. Okay.

21 Now, there's really two issues you
22 identified here, right? The installation of the

1 cards and then possible troubles associated with
2 the card. Right?

3 A. That's correct.

4 Q. Okay. And when somebody reports that
5 their service is not working, you open what's
6 called a trouble ticket, right?

7 A. Yes.

8 Q. And then it's someone or someone's job
9 to go try and figure out which part of the path or
10 component has failed. Right?

11 A. Correct.

12 Q. Okay. And the trouble can be almost
13 anywhere between the two end points of what's being
14 tested, right?

15 A. Certainly.

16 Q. Okay. It can be the card in the case
17 you're identifying. The card could go bad, right?

18 A. That's possible.

19 Q. And am I right that it could go bad --
20 assume a dual card for ease of discussion, the
21 current flavor, okay?

22 A. Okay.

1 Q. That card could go bad with respect to
2 only one of those DSL ports, right?

3 A. That's possible.

4 Q. Or the card could simply experience a
5 catastrophic failure where all the services were
6 taken off, right, taken off line?

7 A. Also possible.

8 Q. Okay. Now when you -- do you know how
9 -- let's assume that you have a SBC ADLU card
10 installed with active services on it to do line
11 shared services, meaning two ADSL and two POTS.
12 Can you assume that with me?

13 A. Yes.

14 Q. One of your customers calls in a DSL
15 trouble, and tell me how you're going to figure out
16 -- let's assume that the trouble is on the ADLU
17 card that's serving the customer who has called in.
18 Okay?

19 A. Okay.

20 Q. Just briefly describe how you can figure
21 out that it's the card and not something else in
22 the network that's wrong.

1 A. Well, it takes three things; first off,
2 the information from the customer, what the
3 customer shares with us. Secondly, it takes the
4 testing that we can do of that card. We do have
5 some remote test capability out to the remote
6 terminal and to that particular card and line, and
7 then it's combining those two and using the
8 knowledge of the administrator in what we've
9 determined from previous histories of troubles that
10 sound like that that helps us to determine that
11 that's the problem.

12 Q. Okay. Fair enough. So this remote
13 trouble analysis can be performed from -- certainly
14 from the central office, right? Or is it actually
15 from a more central location than that?

16 A. It's actually from the reporting bureau
17 that takes the report, the local operation center
18 in the wholesale organization.

19 Q. Okay. So that's like one office. I
20 mean who does the actual remote testing of that
21 card you described?

22 A. A maintenance administrator in the local

1 operation center.

2 Q. And is that -- in Illinois is that one
3 center or two centers or what?

4 A. I'm not certain. I know there are many
5 of them across the country. I don't know in
6 particular how many there are in Illinois.

7 Q. Okay. But it's not one per central
8 office or something like that, right?

9 A. No.

10 Q. It's one centralized location, right?

11 A. It is a centralized location.

12 Q. Okay. All right. And you said that you
13 have a test that can identify at least in some
14 cases that you've got a bad card out there.

15 A. Trouble isolation is mainly done on a
16 process of elimination.

17 Q. Okay.

18 A. And so the testing is usually trying to
19 validate what is not the problem, not in particular
20 what is the problem. The problem is settled upon
21 through a process of elimination.

22 Q. And in that process of elimination it is

1 possible I take it, using the current skills and
2 tools that your employees have, to figure out that
3 the card is bad.

4 A. In some cases that is possible.

5 Q. Okay. Assume that happens. Assuming
6 that that happens, what do you do or can you fix
7 the trouble and bring that customer back up on line
8 without rolling a truck?

9 A. It depends on what the trouble is. In
10 some cases it may be a problem that we can reset
11 the card. The card may be having errors for some
12 reason. We could reset the card and that could
13 resolve the trouble, or we may have to roll a
14 truck.

15 Q. Okay. If the chip set has failed, do
16 you have to roll a truck?

17 A. Yes.

18 Q. Okay. You've got to send the technician
19 out to the RT enclosure, probably with a
20 replacement card on board, right?

21 A. No.

22 Q. No?

1 A. The technician would actually go to the
2 SAI and would move the customer to another port.
3 We would not intrude the RT.

4 Q. Okay. So you're going to just rejunper
5 to a different distribution pair. I'm sorry; to a
6 different feeder pair, right?

7 A. Yes.

8 Q. Okay, but that means then I think, if I
9 understand what you're saying, that you're going to
10 leave the bad card installed and simply, by
11 rejunpering at the SAI, have another card that's
12 sitting with available capacity be used for that
13 purpose. Is that right?

14 A. Correct.

15 Q. So you're going to need to have a spare
16 capacity of cards involved to be able to do that.
17 Right?

18 A. Correct.

19 Q. Is that one of the reasons that you
20 install more than one card at a time? That is that
21 you install spares, if you will, so you can do this
22 approach to trouble resolution?

1 A. Certainly.

2 Q. Okay. I guess you could, if you wanted
3 to instead, go to the RT itself and, you know, you
4 know where the bad card is from the dispatch and
5 just take the bad card out and put a new good card
6 in. You could do that, right?

7 A. It wouldn't make sense to me, but
8 certainly you could.

9 Q. Well, I mean you have a choice of two
10 ways to resolve that trouble in our example. One
11 is to rejunper it at the SAI and the second is not
12 to go there but to go to the RT instead and replace
13 the bad card, right?

14 A. Yes.

15 Q. Okay. Now, so if -- of those two, I
16 think you're establishing that you think the SAI
17 rejunpering job is the superior solution, right?

18 A. It's the quicker and cheaper solution,
19 yes.

20 Q. Does that make it superior?

21 A. I would think from a customer's
22 perspective yes.

1 Q. Okay. So if we were going to own the
2 cards and we wanted to have that be the solution
3 that you used to resolve troubles, we'd need to
4 have spare cards installed that weren't currently
5 serving customers so that you could do the same
6 thing for us that you said is the superior way to
7 do it for yourselves right now, right?

8 A. It's a reasonable assumption to think
9 that's the approach you'd want to take.

10 Q. Okay. In other words, if the
11 Commission's -- or I'm sorry -- when the
12 Commission's order is implemented, you're going to
13 want to do it in the most efficient way for all
14 concerned. Isn't that fair?

15 A. Absolutely.

16 Q. Okay. Now I want to switch gears and
17 talk about your testimony at page 4 where you talk
18 about what you need to change to be able to track
19 individual cards that we might own or just the fact
20 that we own cards in general. That starts at page
21 4, right?

22 A. Yes, it does.

1 Q. Okay. I take it you're familiar with
2 the company's OSSs in general, including LFACS and
3 TIRKS and so forth?

4 A. I am.

5 Q. And is it correction that LFACS
6 traditionally has been the outside plant inventory
7 and assignment system?

8 A. In part.

9 Q. Okay. And is it correct that in an
10 NGDLC world that it's LFACS that will inventory the
11 line cards that go in the DLCs including the ADLU
12 cards?

13 A. No.

14 Q. It's not true?

15 A. That's not true.

16 Q. What system will do that?

17 A. The I believe it's called MOPICS. It's
18 the outside plant equivalent of the card system
19 that we use in the inside in the central office.

20 JUDGE WOODS: We need a spelling of that,
21 please.

22 A. I'm sorry; M-O-P-I-C-S.

1 JUDGE WOODS: All caps?

2 A. Yes.

3 Q. Okay. So if we had internal SBC
4 documents, confidential documents, that said in
5 writing that LFACS would inventory the ADLU cards,
6 those would be wrong in your opinion?

7 A. My understanding of it is that the ports
8 are actually designated in LFACS, not the cards
9 themselves.

10 Q. Okay. We can work with that. LFACS
11 then will inventory the ports and assign the ports,
12 right?

13 A. That is correct.

14 Q. Okay. All right. And you said that you
15 need to modify your systems to be able to accept
16 and process new fields, plural, of information,
17 right?

18 A. Yes.

19 Q. And the fields associated with
20 information about the inventory of the CLEC-owned
21 line cards, right?

22 A. Yes.

1 Q. All right. Well, in essence, isn't it
2 correct that what you're trying -- what you would
3 need to do is to add one piece of information in
4 essence? That is, where before you had only a
5 single owner of cards, that being the SBC ILEC, now
6 you've got to recognize that who the owner is.
7 That is, because you're going to have multiple
8 owners, you need to tell your systems, to modify
9 them in effect, to be able to recognize that who
10 owns the card is important in the assignment and
11 the rest of the processes. Is that fair? That's
12 the key addition you're talking about here.

13 A. Who owns the card, what type of card,
14 and what service should be on that card.

15 Q. But the additive thing, the new
16 information that's not there right now is who owns
17 the card, right?

18 A. If you're speaking solely for the
19 purpose of provisioning, then I would agree with
20 that.

21 Q. Okay. Well, for example, you already
22 have in your network installed, in fact, in

1 LiteSpans you have different kinds of cards
2 installed, right? POTS cards, ADLU cards, and so
3 forth?

4 A. Yes.

5 Q. So LFACS has to know that there are
6 different kinds of cards out there, right?
7 Otherwise it would just assign the wrong service to
8 the wrong card.

9 A. No. What LFACS knows is that those
10 cards have certain capabilities. Those
11 capabilities are in tables as weighted properties,
12 and what we do is based on the service that's being
13 requested, we assign it to a card that's
14 appropriate for that set of weighted properties.

15 Q. Okay. You're talking about the service
16 codes, right?

17 A. In part.

18 Q. The 30 or 35 base service codes that
19 LFACS looks to to assign services?

20 A. In part.

21 Q. Okay. Well, at a higher level though, I
22 mean LFACS needs to know that there are different

1 kinds of cards because different services require
2 different cards, right?

3 A. No. LFACS has to know the differing
4 capabilities of the ports. Multiple cards can
5 provide the same capabilities. For example, we
6 could have one card that's capable of POTS service
7 of one particular type and vintage. We can have
8 another card capable of providing the exact same
9 service of that type and vintage. LFACS sees them
10 as exactly the same type of card.

11 Q. And how many kinds of cards right now
12 provide ADSL service?

13 A. Are you saying limited to the Alcatel
14 LiteSpan product?

15 Q. Yeah, the LiteSpan 2000.

16 A. One.

17 Q. How many kinds of cards? One?

18 A. Yes.

19 Q. Isn't it also correct that there are
20 different manufacturers of cards that are installed
21 in your LiteSpan systems right now?

22 A. I don't know.

1 Q. But your current operation support
2 systems can do whatever is currently required to
3 recognize all these variables and assign services
4 correctly, right?

5 A. Yes.

6 Q. Okay.

7 MR. BOWEN: Your Honor, I'm going to
8 distribute and ask that you mark...

9 (Whereupon said document was
10 distributed to the parties.)

11 Your Honor, I think, I think this is a
12 confidential document. Is that right or not?

13 MR. BINNIG: Yes, it is.

14 MR. BOWEN: Okay. What I want to try and do
15 is do this on the open record, and if we need to go
16 on the closed for more detailed identification, but
17 could you please mark this as Rhythms Rehearing
18 Hamilton Cross Exhibit Number 1P.

19 JUDGE WOODS: It will be so marked.

20 (Whereupon Rhythms
21 Rehearing Hamilton Cross
22 Exhibit 1P was marked for

1 identification.)

2 Q. Now, Mr. Hamilton, you've been informed
3 by your counsel that you're not suppose to disclose
4 information that's confidential on the open record.
5 Is that right?

6 A. I have.

7 Q. Okay. Let's try and do this part of the
8 cross simply by pointing and referring without
9 disclosing information that's confidential. Can we
10 try that?

11 A. I understand.

12 Q. Okay.

13 You see that this is a LiteSpan 2000
14 document from the top there?

15 A. Yes.

16 Q. Okay. And you see that this covers
17 what's called line terminal status codes?

18 A. Yes.

19 Q. Do you know what those are?

20 A. I've heard the term. I'm familiar with
21 how it is used in the system architecture. I don't
22 know the exact definition of it.

1 Q. Okay. Fair enough. If you look down --
2 at the top of the first column and then look down
3 that column, it says LFACS LTS. Do you see that?

4 A. Yes, I do.

5 Q. This I take it is what you were just
6 describing; that is, it is what LFACS needs to
7 recognize about a service so it can assign the
8 right kind of port appearance. Is that right?

9 A. Yes.

10 Q. And you see things like DDS. Do you see
11 that?

12 A. I do.

13 Q. That's digital data service, right?

14 A. It is.

15 Q. Okay. And do you see DID?

16 A. I do.

17 Q. And what's that?

18 A. Direct inward dial.

19 Q. Okay. And then for each of those LFACS
20 LTS or line terminal status codes that come down
21 that left column, then there's six more columns
22 that are titled Card Type. Do you see that?

1 A. I do.

2 Q. And each of those is a different
3 manufacturer name or designation, right?

4 A. Correct.

5 Q. And I won't give the names here, but you
6 can see that -- you recognize all of those as
7 equipment manufacturers, correct?

8 A. I do.

9 Q. And then you see entries under some of
10 the cells. That is, for any particular LFACS line
11 terminal status, one or more manufacturers makes a
12 card to support that. Right?

13 A. In some cases, yes.

14 Q. Okay. It's only one sometimes, right?

15 A. In some cases, yes.

16 Q. And where there is an entry, for example
17 if you look at the cell that's the conjunction of
18 the DID LFACS line terminal status with the first
19 manufacturer's card type, do you see that?

20 A. Yes.

21 Q. That's that manufacturer's designation
22 for its card that supports DID, right?

1 A. I'm sorry?

2 Q. Do you see the entry in the cell if you
3 draw the line across from DID and down from the
4 first Card Type column?

5 A. Yes.

6 Q. Okay. That entry there is the
7 manufacturer's or some designation identifying that
8 particular manufacturer's DID card, right?

9 A. No, it is not.

10 Q. Okay. What is that?

11 A. What that is is that is a piece of
12 information that the system is trying to pick up
13 for assignment. If you look at the row immediately
14 above that.

15 Q. Yes.

16 A. The system recognizes that it can place
17 on any of those five boxes that are filled, it can
18 place that type of service against any of those
19 cards. The cards are not identified uniquely. In
20 the case where the designations are unique, those
21 may be for other purposes such as a slightly
22 differing capability between the cards, but in some

1 cases, as you see in that row there that is labeled
2 DDS, the capability of all of those cards are
3 equivalent.

4 Q. Okay.

5 A. And designated as so.

6 Q. Okay. Fine.

7 Now, can you tell from your knowledge of
8 these systems which LFACS line terminal status code
9 is used to support ADSL?

10 (Pause in the proceedings.)

11 A. No, I cannot.

12 Q. But there's got to be one, right?
13 Because LFACS needs to be able to assign ADSL
14 ports.

15 A. I would assume so.

16 Q. Okay.

17 A. You asked me if I could identify the
18 particular one. I can't.

19 Q. Right. My suspicion when we got this
20 document was that it might be not a current
21 generation; that is, it might be a document for
22 line terminal status codes for the LiteSpan prior

1 to the deployment of Release 10.1 that now supports
2 ADSL because I didn't see anything on there that
3 looked like ADSL either.

4 JUDGE WOODS: Well, in fact, at the top it
5 says Release 1, doesn't it?

6 A. I was going to say that myself.

7 MR. BOWEN: Yes. Well, I don't know what
8 Release 1 means, Your Honor.

9 JUDGE WOODS: All right.

10 MR. BOWEN: Given the witness's testimony, he
11 can't identify -- hold on.

12 (Pause in the proceedings.)

13 Okay. I'm going to make a record
14 request that the company provide, if one exists, a
15 more recent version of this document given the
16 witness's testimony that he cannot identify any of
17 the LFACS line terminal status codes that will
18 support ADSL or line sharing ADSL.

19 JUDGE WOODS: While I'm sure the company is
20 willing to do that, I think I would appreciate it
21 if we were a little more specific than just a more
22 recent version. How about the most recent version?

1 MR. BOWEN: I take that. I'd like the most
2 recent version, Your Honor.

3 JUDGE WOODS: Thank you.

4 MR. BOWEN: I stand corrected.

5 MR. BINNIG: If there is a more recent
6 version, we will produce the most recent version.

7 JUDGE WOODS: Thank you.

8 MR. BOWEN:

9 Q. Well, am I right, Mr. Hamilton, that you
10 testified that LFACS is going to assign ports,
11 right, on ADLU cards?

12 A. Yes.

13 Q. And it's going to do so using this line
14 terminal status code, right?

15 A. Yes.

16 Q. And so we're going to need to see --
17 LFACS needs to have an LTS code that supports ADSL
18 cards, right? Or else it can't assign.

19 A. I don't know whether that code is here
20 or not. I cannot identify it.

21 Q. I understand. The request -- let me
22 just reclarify the request. I'm asking you to go

1 check, not this right second but when you get a
2 chance, and if one of these codes does support the
3 ADLU card assignment, just indicate which one it
4 is, and if none of these codes support that
5 assignment, I need to see the current version of
6 this document that does show that.

7 MR. BINNIG: Well, this is what I'm willing to
8 do, Your Honor. I'm willing to check and see if
9 there is a more recent version, and, if there is,
10 we will produce the most recent version. If
11 there's not, I would suggest that this question
12 could be asked of Mr. Waken who is I think the most
13 familiar with the various back office systems like
14 LFACS of our witnesses, and Mr. Waken will be
15 prepared to respond.

16 JUDGE WOODS: Okay. Let's put the question to
17 Mr. Waken.

18 MR. BOWEN: Okay.

19 JUDGE WOODS: And if he can't answer
20 satisfactorily, then we'll proceed to the data
21 request. Okay?

22 MR. BOWEN: Okay. That's fine.

1 Q. Okay. Let's come down towards the
2 bottom of page 4 there, Mr. Hamilton. Here you're
3 saying you're at least setting out a world where,
4 if I can call it this, this is a one-card-at-a-time
5 world, right? Is that fair?

6 A. Yes.

7 Q. Okay. You're saying that you get a
8 card; you dispatch a technician. They go out and
9 install the card, either initial install or service
10 order and like that. Right?

11 A. Yes.

12 Q. Okay. And that isn't the only way to do
13 things, as we've already talked about, right? You
14 can install cards in multiples, as you are doing
15 right now for yourself.

16 A. And I would also add that the cards are
17 capable of more than one service per card, so
18 obviously it wouldn't be per service. It's per
19 card.

20 Q. Fair enough.

21 A. It would need to be on a per card basis.

22 Q. My point is you're agreeing with me that

1 it's possible to install CLEC-owned cards just as
2 you install ILEC-owned cards; that is, not more
3 than one at a time.

4 A. I would state it differently in that we
5 install them all at the same time in a bulk basis
6 versus on multiple trips.

7 Q. Is it possible to take CLEC-owned cards
8 and install more than one at a time in the RT?

9 A. Yes.

10 Q. Okay. Now you're talking about how
11 complicated this process is. Actually you say on
12 lines 21 and 22 adding new or different components
13 to the network is a complicated process. Do you
14 see that?

15 A. Yes.

16 Q. Now all I want to talk about is an ADLU
17 card, nothing else. Is that fair, to talk about
18 just that?

19 A. That's fine.

20 Q. All right. This is not a different
21 component then. It's the same kind of card you're
22 putting in right now, right?

1 A. Yes.

2 Q. Okay. And it's only new because it's
3 unused I guess. Right?

4 A. Correct.

5 Q. It has no different functionality than
6 the cards you're installing right now. Is that
7 fair?

8 A. An ADLU has no different functionality
9 from the other cards that we install?

10 Q. From the other ADLU cards you are
11 installing.

12 A. From the other ADLU cards. No, it does
13 not.

14 Q. Okay. So none of that is new or
15 different. Right? That's the same.

16 A. Yes.

17 Q. Okay. But it's complicated because of
18 the configuration of a remote terminal -- I'm
19 quoting here -- and the need to maintain a clean
20 environment to ensure the equipment can operate at
21 a high level of reliability. Do you see that?

22 A. Yes, I do.

1 Q. What kind of enclosure do you have in
2 mind when you're talking about a clean -- it sounds
3 like a fab plant for chips. What kind of
4 environment do you have in mind here?

5 A. We really attempt to only go into huts,
6 CEVs, and cabinets when the weather is good, when
7 we can get them open, expose the back of the
8 electronics to access them, put cards in, take
9 cards out. If we were to be doing it on a
10 case-by-case basis, well, you're not only going to
11 provision and maintain services on a sunny day and
12 so you may have to go and open a cabinet, for
13 example, in a driving rain storm. That requires a
14 very, very different process. We have to sit up a
15 tent. We have to send a different type of truck,
16 so that's what I say when I say clean environment.

17 Q. I guess I was curious because it sounded
18 later in your testimony like you're talking about
19 going to a CEV where you unseal the CEV and you
20 pump out any gas that might be in there and so
21 forth. Isn't that what you had in mind when you're
22 talking about a clean environment here?

1 A. No. I actually have all of our
2 environments that maintain our electronic equipment
3 in mind. I state in my testimony why we maintain
4 those environments, for the purposes of dust
5 contamination, corrosives that are in the air, etc.

6 Q. I read that. Well, isn't it true that
7 your base, your majority configuration for Project
8 Pronto in Illinois and elsewhere is a LiteSpan 2016
9 cabinet? That's the most common new RT enclosure
10 you're deploying as part of Pronto?

11 A. No, I don't believe that's the case.
12 One of the data requests was shared with me, and I
13 believe for Pronto in Illinois there will be 535
14 CEVs, 7 huts, and 483 cabinets.

15 Q. 535 new CEVs?

16 A. No. Actually there are currently 355
17 CEVs in existence. Most of those will be
18 retrofitted.

19 Q. Okay. So my question was, isn't it
20 correct that the most common configuration for new
21 RTs is a cabinet, in Illinois and elsewhere?

22 A. No. There are 483 cabinets and 535

1 CEVs, more CEVs than cabinets.

2 Q. And how many new CEVs are we talking
3 about, Mr. Hamilton?

4 A. We're talking about looks like 180.

5 Q. Okay. Which is bigger, 400 and whatever
6 or 180?

7 MR. BINNIG: I'll object to the apples to
8 oranges comparison.

9 JUDGE WOODS: What?

10 MR. BOWEN: Pardon me?

11 MR. BINNIG: I'll object to the apples to
12 oranges comparison.

13 JUDGE WOODS: I don't think he's answered the
14 question. The question is new --

15 MR. BOWEN: New RT deployments.

16 MR. BINNIG: I understand what the question
17 is. Mr. Bowen just made an apples to oranges
18 comparison because he was using existing cabinets
19 as well in his number.

20 MR. BOWEN:

21 Q. I'm asking a simple question,
22 Mr. Hamilton. I want you to compare new RT

1 deployments. All right? New.

2 A. Okay. Okay. I understand your
3 question.

4 Q. Okay. Aren't the majority of the new RT
5 deployments cabinets?

6 A. I would say doubtfully. There are 2,181
7 cabinets to date in Illinois. There will be 483 of
8 those that will be Pronto capable. Now, we may
9 have to deploy a new cabinet in a location we want
10 to serve with Pronto where no cabinet exists, but I
11 would say the 483 cabinets that will be Pronto
12 capable, most if not all will come from the 2,181
13 that exist today. I know there will be at least
14 180 new CEVs.

15 Q. Okay. Well, if there's 2,000 cabinets
16 right now and there's 500 CEVs, which of those
17 numbers is bigger?

18 I'll withdraw the question, Your Honor.

19 JUDGE WOODS: Thank you.

20 Q. Well, I visited one of the LiteSpan
21 cabinets in Texas with the SWBT team, Mr. Hamilton,
22 and it was a 2016 where the doors just open right

1 up, right?

2 A. There are some of those in the network,
3 yes.

4 Q. Both sides, the doors open right up with
5 no unsealing, no pumping out of gas, no none of
6 that, right? You just open the doors.

7 A. In a cabinet, when you unlock the
8 cabinet you are breaking the seal. There's a
9 rubber gasket that goes around the entire outer
10 perimeter of the door.

11 Q. Do you pump the gas out from the inside
12 of that?

13 A. No.

14 Q. And while the doors are open, the breeze
15 just blows right through it, right?

16 A. It does.

17 Q. Okay. These are what's known as
18 hardened installations. Isn't that true? That is
19 they're designed not to require special
20 environmental conditioning.

21 A. I would disagree with that. I think
22 that the cabinet and the enclosure and the fan

1 system is a special environmental system. It's
2 designed to keep contaminants out for the most
3 part, try to keep
4 tampering from occurring, etc.

5 Q. Do the Alcatel specifications require
6 you to enclose the entire RT in some kind of sealed
7 enclosure before you open the doors?

8 A. I don't know whether they do or not.

9 Q. Don't you just go out there and open the
10 doors up and work on the system, Mr. Hamilton?

11 A. On most days in most climates, yes. In
12 Illinois I'm not as familiar with the climate. I
13 would imagine it's more rainy here than it is in
14 some other parts of the country, so.

15 Q. So if it's raining, you put a tent over
16 yourself before you open the doors up, right?

17 A. I believe that's what I said.

18 Q. Okay.

19 On page 5 of your testimony where you
20 talk about the steps that you think you'd need to
21 know -- I'm sorry -- the thing you need to know and
22 the steps you think you need to take to make this

1 work, do you have that there?

2 A. If I could get a line reference, please.

3 Q. You say "First" on line 15.

4 A. Okay. Thank you.

5 Q. So first you need to know what kind of

6 card it is. Right?

7 A. Yes.

8 Q. So we need to tell you this is an ADLU

9 card. Right?

10 A. Yes.

11 Q. Okay. But your parenthetical says

12 setting aside the question of whether such cards

13 would work at all. Do you have some suspicion that

14 if we buy an Alcatel card and give it to you that

15 it won't somehow work?

16 A. What was expressed to me was that the

17 order didn't specify, and I don't recall reading

18 this directly. It was told to me that it didn't

19 specify Alcatel cards only.

20 Q. Okay. Well, if I tell you that Rhythms

21 is willing to -- at this point at least to supply

22 only Alcatel manufactured or licensed cards, does

1 that remove that consideration?

2 A. That sounds like the commitment we've
3 made in the Pronto Waiver Order, so I would say
4 yes.

5 Q. Okay. Okay. Then you say, third, you
6 need virtual channel and virtual path information,
7 right?

8 A. Yes.

9 Q. So you can connect -- so you can get the
10 path to our collocation in the central office
11 through the OCD, right?

12 A. Right.

13 Q. Well, you need that no matter what card
14 is out there, right? Whether you use one of your
15 cards or one of our cards, you've got to tell the
16 system the VP and VC assignments to get those bits
17 to our DS-3 or OC-3 connector, right?

18 A. Yes.

19 Q. Okay. So that's not unique to the fact
20 that we own it, right?

21 A. I don't believe I was explaining only
22 the unique aspects. I was trying to paint a

1 picture of the entire process.

2 Q. But you're agreeing this is not unique
3 to our ownership. That's common to both, right?

4 A. I agree.

5 Q. Okay. Okay. On page 6 do you see the
6 statement that you're asserting that you need to be
7 able to track slot inventory on line 16?

8 A. Yes.

9 Q. And you say that that capability does
10 not exist today. Do you see that?

11 A. Yes.

12 Q. Are you saying that you can't track slot
13 inventory on the ADLU cards that you deploy?

14 A. When cards are loaded into an RT, we
15 book them as an asset, and MOPIC is an asset
16 tracking system. It's not an inventory system. So
17 we assume we own all the cards.

18 Q. I thought MOPIC was only used in
19 California.

20 A. Its equivalent in Illinois.

21 Q. What's its equivalent in Illinois?

22 A. I don't know the term.

1 Q. Well, I thought you were saying slot
2 inventory here for assignment purposes. Is that
3 not right?

4 A. No, I'm saying slot inventory here more
5 in relation to the logistical management system I
6 describe later in my direct.

7 Q. Oh, the brand-new, ground-up one.

8 A. Yes.

9 Q. Ah. And do you track slot inventory
10 yourselves right now? Is that the MOPIC thing
11 you're talking about?

12 A. Again, it tracks the assets. It does
13 not track in particular where they are located.

14 Q. Okay. Do you see on line 21 your
15 referral to the so-called Common Language Equipment
16 Identifier?

17 A. Yes.

18 Q. Do you do that right now for your own
19 cards?

20 A. In the asset system I believe we do.

21 Q. And do you track serial numbers right
22 now in your asset system?

1 A. I believe that's only tracked in
2 purchasing. I couldn't be certain.

3 Q. But you'd have to do that uniquely and
4 separately if we owned the cards. Is that your
5 testimony?

6 A. Yes.

7 Q. You'd have to track serial numbers.
8 Okay.

9 All right. On page 7 of your testimony,
10 beginning at line 13, do you see your testimony
11 that you'd have to modify your OSSs to create a
12 means of inventorying and provisioning PVPs and
13 PVCs?

14 A. Yes.

15 Q. As UNEs?

16 A. Yes.

17 Q. Well, you've got to do -- you have to
18 inventory and provision PVPs and PVCs whether
19 you're talking about UNEs or a wholesale broadband
20 service. Isn't that right?

21 A. Yes.

22 Q. Okay. In other words, you've got a

1 common resource here between the RT and the OCD;
2 that is, the common resource being the fiber system
3 driven by the OCD and the NGDLC. On that common
4 system are riding PVPs and PVCs, right?

5 A. Yes.

6 Q. And you've got to know whose ATM cells
7 go where, right?

8 A. Correct.

9 Q. So you've got to have a system to
10 inventory and provision those, whether it's
11 wholesale broadband service or UNEs. So there's
12 nothing unique there, right?

13 A. I believe that the way it works today in
14 the wholesale broadband service, we just associate
15 any card with an available PVP. We build a PVP.
16 When different services are offered at some point
17 in the future, we may have to modify that, and at
18 that point we have to track particular PVPs and
19 PVCs to particular types of cards, but I don't
20 believe we have to do that today.

21 Q. You don't think you have to --

22 A. Just the channel. I'm sorry; just the

1 circuit.

2 Q. You don't think you have to map a PVC to
3 a port on a card in the NGDLC?

4 A. You do have to map a PVC to a particular
5 port on a card in the ADSL capable RT.

6 Q. Okay.

7 A. But then that's all mapped back to one
8 PVP.

9 Q. I understand that.

10 A. Yeah.

11 Q. But you've got to map to -- and then to
12 put individual port appearance on a card, right?
13 Right now.

14 A. Yes.

15 Q. Okay. For the wholesale broadband
16 service.

17 A. Right.

18 Q. And if we own that card, you can do the
19 same mapping to the port on our card, right?

20 A. Right.

21 Q. So you're done with that one, right?

22 A. Right.

1 Q. Okay.

2 All right. Now I want to talk about
3 which is harder, this, that is the line card
4 collocation implementation, or line sharing itself,
5 and on page 9, if I'm reading your testimony
6 correctly, you're saying that this, that is
7 implementing the Commission's line card collocation
8 order, is at least twice as complex as implementing
9 line sharing itself. Am I reading that correctly?
10 On line 4 and 5?

11 MR. BINNIG: And if you need context, why
12 don't you look at page 8 as well.

13 (Pause in the proceedings.)

14 A. Yes.

15 Q. And that -- okay. So simply adding the
16 fact that there's more than one owner of a
17 particular piece of equipment, that's what you're
18 referring to as being twice as hard as all of line
19 sharing. Do I understand that correctly?

20 A. Yes.

21 Q. Okay. Well, I thought line sharing was
22 viewed as a major challenge because the OSS changes

1 were so complex. That is, didn't the FCC give you
2 six extra months to deploy line sharing because of
3 the OSS changes required?

4 A. I wouldn't necessarily characterize it
5 as six extra months.

6 Q. All right. Six months. Sorry.

7 A. Yes.

8 Q. Okay. The reason for that was the OSS
9 changes, right?

10 A. We had stated I believe that it would
11 take 18 months.

12 Q. Okay. But am I right that it was OSS
13 driven?

14 A. Primarily, yes.

15 Q. Okay. And wasn't the fundamental
16 challenge there the fact that for the first time in
17 your history you needed to have the ability to
18 assign another service to a working facility that
19 was already assigned? Wasn't that the fundamental
20 challenge in line sharing OSS?

21 A. No, I don't believe so.

22 Q. Can you think of any other service that

1 sits on top -- take a copper pair, for example;
2 take the Phase One line sharing solution from
3 Telcordia. Can you think of any other service that
4 can be mechanically assigned to an existing working
5 pair, in-service pair?

6 A. Well, I think we do that with
7 multiplexing today for a T1 that serves multiple
8 DID trunks, for example, so we're assigning
9 multiple services to an existing circuit. It's a
10 four-wire circuit, but it's a circuit.

11 Q. Can you think of any other situation
12 where you have a non-pair gain copper pair where
13 you assign another service to a working pair, on
14 top of one that's already there?

15 A. Only a DAML, digital added main line.

16 Q. And didn't line sharing involve a whole
17 lot more connecting facility assignments and
18 central office cross-connects and changes so that
19 if troubles are reported, you recognize that there
20 is more than one service on that individual line
21 and so forth?

22 A. Yes.

1 Q. And didn't all those changes impact all
2 the Telcordia systems?

3 A. I don't think it impacted all the
4 Telcordia systems.

5 Q. Which ones didn't it, if you know?

6 A. Are you speaking only of Illinois? It's
7 different based on region. That's why I asked.

8 Q. I understand, but your line sharing
9 solution from Telcordia is 13-state, right?

10 A. Yes.

11 Q. Okay. Let's just talk about Telcordia
12 for a moment.

13 A. Okay.

14 Q. Are you aware of any Telcordia systems
15 that were not impacted by line sharing?

16 A. Well, I don't believe the outside plant
17 engineering systems were impacted by line sharing.

18 Q. LEAD/LEIS you mean?

19 A. Yes. I don't believe systems like MARCH
20 were impacted by line sharing.

21 Q. And is it fair to say that the majority
22 of the Telcordia systems that you use in Illinois

1 and elsewhere were affected by the line sharing
2 rollout?

3 A. For pre-ordering, ordering,
4 provisioning, maintenance, repairing, and billing,
5 yes. We use their systems for some other things
6 that aren't associated with those processes. That
7 would have probably have been the best way for me
8 to qualify my answer.

9 Q. Okay. Now, do you know a gentleman
10 named Hadi Sadrosadat?

11 A. Yes, I do.

12 Q. Spelled H-A-D-I, first name,
13 S-A-D-R-O-S-A-D-A-T. Isn't Mr. Sadrosadat or
14 wasn't he the 13-state SBC point of contact with
15 Telcordia on the line sharing solution, Phase 1 and
16 2?

17 A. Yes.

18 Q. Now we deposed Mr. Sadrosadat in Texas,
19 had a nice chat with him, and I think we understand
20 quite a bit about how things work. Have you heard
21 of a document called OLS560, Work Statement OLS560?

22 A. I've probably seen it or had it

1 referenced on a call or something.

2 Q. Okay. Let me show you a copy of that,
3 and, Your Honor, I'll ask you to mark this document
4 as, and this is confidential, as Rhythms Rehearing
5 Hamilton Cross Exhibit 2P.

6 JUDGE WOODS: It will be so marked.

7 (Whereupon Rhythms
8 Rehearing Hamilton Cross
9 Exhibit 2P was marked for
10 identification.)

11 Q. Do you know approximately how much,
12 Mr. Hamilton, Telcordia charged SBC from a 13-state
13 basis to develop its so-called line sharing
14 solution?

15 A. To do the development work or how much
16 it would cost to implement?

17 Q. What did they charge you as a licensee?
18 What was their --

19 A. I don't know.

20 Q. Okay. Do you recognize this document as
21 Work Statement OLS560, Version 2?

22 A. I do.

1 Q. This is, in effect, the contract that
2 was signed between SBC and Telcordia for the line
3 sharing upgrade solution for their products, right?

4 A. It appears so.

5 MR. BOWEN: Your Honor, I'll indicate for the
6 record that I thought we had -- this document ends
7 at page 10. I believe that there are pages missing
8 at the end. We're trying to find those right now,
9 so I'd like to be able to substitute a full version
10 of this once we get those in hand. It should be
11 today at some point, but I want to -- I think
12 there's a page, for example, that has the number I
13 just asked the witness for; that is, it has the
14 total contract value.

15 Q. You recall that to be the case, don't
16 you, Mr. Hamilton? There is a number in the
17 contract, a total number?

18 A. I believe that what they provide when
19 they do a work scope is an estimate at that point,
20 yes.

21 MR. BOWEN: So we'll substitute it as soon as
22 we get the more complete document, Your Honor.

1 Q. Let's just assume for talking purposes,
2 hypothetically, that they charged you \$25 million
3 to upgrade all their systems. Can we assume that?

4 A. Okay.

5 Q. Okay. And then you had to go out and
6 implement those solutions in your -- train your
7 people and so forth and install the software,
8 right?

9 A. And write new methods and procedures.

10 Q. Right.

11 A. Yes.

12 Q. Okay. Change your way of doing business
13 to recognize the new features of their OSS, right?

14 A. Correct.

15 Q. And the number in this contract does not
16 include that additional work. Is that right?

17 A. That is correct.

18 Q. Okay. And so you think it would cost
19 more than twice whatever the total is of my
20 hypothetical \$25 million plus your implementation
21 costs to install that software, right?

22 MR. BINNIG: Is your question more than twice?

1 MR. BOWEN: Yeah.

2 MR. BINNIG: Okay.

3 MR. BOWEN: That was his testimony.

4 MR. BINNIG: No, it wasn't.

5 Q. Well, what does at least mean to you,
6 Mr. Hamilton? Does it mean more than? Do we need
7 to quibble about whether it's 2 times or 2.1 times
8 the number I'm talking about?

9 A. Equal to or greater than.

10 Q. Okay. So your testimony is that to do
11 that what the Commission has ordered you to do to
12 allow line card collocation would be equal to or
13 greater than all of your costs to implement line
14 sharing itself. Right?

15 A. Yes.

16 Q. Now I haven't mentioned any of your own
17 internal systems' modifications beyond the
18 Telcordia ones. There are such costs, right, for
19 line sharing?

20 A. There are some.

21 Q. Okay. Do you know whether or not, as
22 part of the initial Project Pronto business case,

1 whether the financial gurus made estimates and gave
2 those estimates to the board of directors
3 concerning total OSS investments required to
4 support all of Project Pronto?

5 A. I would hope so, but I don't know in
6 particular.

7 Q. Well, if there were such estimates in a
8 document like that, would you find those to be
9 reliable and credible?

10 MR. BINNIG: I'll object. It calls for
11 speculation. It's too vague.

12 MR. BOWEN: I'm not asking him to speculate.
13 I'm asking for his understanding of how the company
14 works, Your Honor.

15 MR. BINNIG: He asked him to speculate on a
16 particular document that he hasn't even testified
17 he has ever seen before.

18 JUDGE WOODS: I think his testimony is that
19 he's not familiar with that, so I don't know where
20 we're going with it. If he doesn't know that the
21 document exists, I don't know why we should be
22 asking him whether he would find the numbers

1 reliable.

2 MR. BOWEN: Okay.

3 Q. Are you ever asked for input into
4 financial business case roll-ups that the SBC folks
5 do?

6 A. Certainly for my own organization.

7 Q. Okay. For example, you would give the
8 input for the network business process changes
9 required for a new service or a new platform? Is
10 that fair?

11 A. Yes.

12 Q. Okay. And whether you were in the group
13 or not at the time, did your organization give or
14 would they have given to the business case folks on
15 the Project Pronto business case their input about
16 business process rules and so forth for Project
17 Pronto itself?

18 A. They would have played a role in that,
19 yes.

20 Q. Okay. So they would have had input into
21 whatever analysis was done to try and estimate the
22 total cost of Pronto. Is that fair?

1 A. Yes.

2 Q. Okay.

3 Now let's talk just briefly about your
4 brand-new, ground-up, freshly minted Asset
5 Logistical Management System, the ALMS. Isn't this
6 a solution in search of a problem, Mr. Hamilton?

7 MR. BINNIG: Object to the argumentative
8 nature of the question, Your Honor.

9 JUDGE WOODS: Sustained.

10 Q. If the Commission limited its order on
11 line card collocation to virtual collocation,
12 wouldn't you not require this system?

13 A. I don't know of any way to receive cards
14 -- we don't today receive cards, get them to a
15 certain location on an order basis and install them
16 and then at some point retrieve them and ship them
17 back to different parties. To say that this is
18 identical to our supply line, for example, is I
19 think erroneous. It's something we would have to
20 do separately in order to manage it at a customer
21 service level.

22 Q. What about the pooling arrangement we

1 discussed before and the port credit? Couldn't
2 that be used in conjunction with virtual
3 collocation to avoid this system entirely?

4 A. I'd have business practicality concerns
5 around liability and --

6 Q. Well, let the lawyers worry about that.

7 A. Well, lawyers are costly.

8 Q. Only some lawyers are costly. But I
9 want you to assume away with me those kind of
10 concerns that are always going to be present
11 whenever you have multiple entities involved in an
12 enterprise. I want you to just tell me if you had
13 a pooling arrangement and the port credit we talked
14 about in virtual collocation, you wouldn't need
15 this whole new system, would you?

16 A. And so your assumption is that all
17 parties involved would be forced to buy into that
18 and into that only.

19 Q. Yeah. You just pool the resources. You
20 say I'm going to buy some cards, toss them in the
21 pool. You're going to put cards out there. I get
22 port credits. It's virtual collocation. We're

1 done, right?

2 A. Including our affiliate?

3 Q. Sure. They can toss their cards in the
4 pool too.

5 A. If you assume everyone will be
6 enthusiastic about playing, I suppose so.

7 Q. Okay. Good.

8 Now on page 11 of your testimony, I may
9 have gotten this wrong as well, but at the bottom
10 of the page there, and here you're applying the
11 basics from your business school courses. You're
12 convinced that the Commission's order and so forth
13 and so on, you say it's very likely to make future
14 projects net present value negative. Do you see
15 that? At the bottom of page 11, top of page 12?

16 A. Yes.

17 Q. Okay. Do I understand you to be saying
18 that the mere fact that this Commission ordered
19 what it ordered, if implemented -- let's assume
20 this. If what this Commission has ordered is
21 actually done by SBC throughout the whole 13-state
22 region, okay?

1 A. Uh-huh.

2 Q. Are you saying that that would make the
3 whole Project Pronto net present value negative?

4 A. I don't believe that's what I say. I
5 say it would make the over all project less likely
6 to yield a return, in fact very likely to make
7 future projects net present value negative, so I'm
8 saying there's a possibility it will be net present
9 value negative, a strong possibility, but I'm not
10 guaranteeing that.

11 Q. Okay. Well, to get to net present value
12 negative on a 13-state basis, you'd have to eat up
13 I guess \$10 billion in positive NPV, right?

14 MR. BINNIG: I guess I'll object on the
15 grounds that it assumes facts not in evidence.

16 MR. BOWEN: Well, Your Honor, it assumes the
17 disclosures of the company in the October '99
18 Investor Briefing where they announced to the world
19 that Project Pronto would have a net present value
20 of \$10 billion.

21 MR. BINNIG: That's a projection, Your Honor,
22 and it was a projection made in October of '99, and

1 the press release is self-explanatory what
2 projections are and how they are not to be relied
3 on.

4 JUDGE WOODS: Okay. Well, let's just do a
5 little foundation then.

6 MR. BOWEN: Okay.

7 JUDGE WOODS: And let's walk down the whole
8 hypothetical trail again.

9 MR. BOWEN: All right.

10 Q. Mr. Hamilton, isn't it a fact that all
11 net present value analysis is speculative?

12 A. No.

13 Q. You know the future with certainty so
14 you can look at an investment stream today and know
15 for certain what the expense savings will be across
16 the entire useful life of the asset.

17 A. Well, that isn't exactly what you asked
18 me. If someone guarantees you they're going to pay
19 you \$100 for every month for the next year, you
20 know the net present value of that stream of money.

21 Q. Let's not talk about annuities, okay?
22 Let's talk about the real world of business

1 investments.

2 A. Okay.

3 Q. In the real world of telecom
4 investments, all net present value analysis
5 involves speculation, doesn't it?

6 A. For business cases, yes.

7 Q. And you're aware that there's a business
8 case supporting Project Pronto, are you not?

9 A. I've heard of it, yes.

10 Q. And you're aware that that business case
11 at the time it was made estimated over Pronto's
12 useful life or near term useful life a positive net
13 present value of \$10 billion as announced in
14 October '99 via the public Investor Briefing, are
15 you not?

16 A. I am.

17 Q. So your testimony here then I guess
18 would be that if this Commission's order spreads
19 throughout 13 states, that the implementation of
20 that will chew through \$10 billion of net present
21 value.

22 MR. BINNIG: Same objection, Your Honor.

1 MR. BOWEN: What's the objection?

2 MR. BINNIG: The objection is that he's
3 assuming a fact not in evidence; that there is a
4 \$10 billion number that's going to be chewed
5 through as we sit here today. If you want to ask
6 him as of October 1999 what the estimated present
7 value was and assuming that hasn't changed would
8 you have to chew through, I would be okay with that
9 question.

10 MR. BOWEN: I can ask that question.

11 Q. Let me ask it this way, Mr. Hamilton.
12 Are you aware of any changes in the original
13 projected positive NPV of Project Pronto?

14 A. I'm not aware of any changes that have
15 been made in the projection. I am aware that there
16 are certain aspects of the project which have not
17 come to fruition, so I would imagine those have had
18 negative impacts on the projection.

19 Q. All right. Well, assuming that the net
20 present value of \$10 billion still is current, are
21 you testifying you think it's very likely that
22 implementing this Commission's order in 13 states

1 would cost more than \$10 billion?

2 A. Given what I understand about the
3 product line today and understanding that the
4 actual piece we're talking about is a subset of the
5 entire Project Pronto.

6 Q. Yes.

7 A. My concern is that the environment in
8 which we and -- our affiliate and CLECs are trying
9 to provide services in is extremely competitive
10 right now against cable modem, satellite, wireless.
11 There's a lot of downward pressure on pricing.
12 Given my understanding of the environment, I'm
13 concerned that the project may not be as rosy as we
14 originally believed. Understanding that and
15 understanding how marginal it might be at this
16 point for ourselves as well as for CLEC customers,
17 my concern is that this could potentially drive it
18 negative.

19 JUDGE WOODS: From what number? When you say
20 net present value negative, what net present value
21 did you use to make that statement?

22 THE WITNESS: Well, Your Honor, I'm not

1 actually using the net present value. I'm using my
2 understanding of a project that I went through that
3 was concerned with ensuring that the DSL product
4 that we offer was something that could be
5 competitive in the marketplace in a profitable way,
6 and when we originally envisioned Pronto a couple
7 of years ago, prices in the environment were much
8 higher. The economy was much -- had a much better
9 outlook. We thought we would get a good number of
10 customers, and so I'm looking at it more from the
11 aspect of each one is marginal and we expected
12 great volumes. Each particular service is marginal
13 and we expected great volumes. It was going to
14 yield some return on each product. My concern is
15 if we add additional costs to that, that gap
16 shrinks and could potentially go negative. So I'm
17 not comparing it to a rolled up net present value,
18 Your Honor.

19 JUDGE WOODS: So whatever the number is, it
20 will be negative.

21 THE WITNESS: I don't think whatever the
22 number is it will be negative. It just continues

1 to put pressure on the margin. I think that was
2 the point I was trying to make.

3 JUDGE WOODS: Okay.

4 MR. BOWEN:

5 Q. Well, actually the question I asked,
6 Mr. Hamilton, I asked you to assume that the net
7 present value was \$10 billion. Can you assume that
8 with me?

9 A. I can.

10 Q. I mean was or is currently \$10 billion.
11 Assume that with me, please. Is your testimony
12 that implementing this Commission's order or one
13 like it in all 13 states under those conditions
14 would have a net present value that's a negative?

15 A. With a qualifier that I can assume that
16 it was \$10 billion, not that it is \$10 billion, I
17 would not envision these impacts on a 13-state
18 basis to cost \$10 billion, no.

19 Q. Okay. On page 16 of your testimony,
20 Mr. Hamilton, I note that you added in your
21 corrections this morning a change which had a
22 substantive change in meaning. Is that fair, on

1 line 11? You added for example a CEV.

2 A. Yes.

3 Q. Before it just said a remote terminal is
4 a sealed, environmentally-isolated area, right?

5 JUDGE WOODS: I didn't hear you.

6 Q. I'm sorry. Before you said a remote
7 terminal is a sealed, environmentally-isolated
8 area, right?

9 A. I did, and I recognized that did not
10 match with what was above it.

11 Q. Okay. Only CEVs match that description,
12 right?

13 A. CEVs, cabinets, or huts.

14 Q. Well, what do you mean when you say
15 environmentally isolated? Does that mean that the
16 cards are not in the rain or what?

17 A. In part.

18 Q. Okay.

19 And at the bottom of the page, based on
20 our discussion, I take it this issue is no longer a
21 concern for you; that is, the concern that we might
22 place a card in a slot that isn't designed for the

1 equipment that you deploy, LiteSpan 2000 equipment?

2 A. Given your earlier statements about
3 licensing and agency, no.

4 Q. Okay. I see you managed to work in a
5 911 concern here on page 11. Do you see that?

6 A. Yes, I do.

7 MR. BINNIG: Page 11?

8 Q. I'm sorry; 17.

9 A. 17.

10 Q. Everybody's cards in line sharing are
11 going to carry POTS service and DSL service, right?
12 Your cards, our cards, everybody's cards.

13 A. In line sharing, yes.

14 Q. And on a regular old POTS service you
15 can dial 911, right?

16 A. Yes.

17 Q. Okay. And that will work on our card
18 the same way it will work on your card, right,
19 since you're getting the voice?

20 A. Again, given your earlier statements
21 about licensing and agency, yes.

22 Q. Okay. So if we use an Alcatel

1 manufactured or licensed ADLU card, there's no
2 concern, is there, about 911 service?

3 A. No more so than we have for the other
4 Alcatel cards in the network.

5 Q. Okay. Fair enough.

6 (Pause in the proceedings.)

7 MR. BOWEN: That's all I have. Thank you,
8 Your Honor.

9 JUDGE WOODS: Okay. Let's go off the record.
10 (Whereupon at this point in
11 the proceedings an
12 off-the-record discussion
13 was had, and a 15-minute
14 recess was taken.)

15 JUDGE WOODS: Back on the record.

16 MS. FRANCO-FEINBERG: Covad has no
17 cross-examination. Thank you.

18 JUDGE WOODS: Redirect?

19 MR. BINNIG: Your Honor, we have no redirect.

20 JUDGE WOODS: Okay. Thank you, sir. You may
21 be excused.

22 THE WITNESS: Thank you, Your Honor.

1 (Witness excused.)
2 JUDGE WOODS: Call the next witness.
3 MR. BOWEN: I think that will be us, Your
4 Honor, and Rhythms calls Joe Ayala.
5 JUDGE WOODS: Okay. Mr. Ayala.
6 Mr. Ayala, were you previously sworn?
7 MR. AYALA: In this hearing? Yes.
8 MR. BINNIG: He means in the past week.
9 MR. AYALA: In the past week? No.
10 MR. BINNIG: Okay. He needs to be sworn in,
11 Your Honor.
12 JUDGE WOODS: He needs to be resworn even
13 though it's a rehearing? Yes, sir. Please stand
14 and raise your right hand. Mr. Binnig says you
15 must be sworn, so sworn he will be.
16 (Whereupon the witness was
17 sworn by Examiner Woods.)
18 Please be seated.
19 (Whereupon Rhythms
20 Rehearing Exhibit 1.0 was
21 marked for identification.)
22 JUDGE WOODS: Okay. Let's go ahead and get

1 the witness identified and get the testimony
2 identified, and then I understand there's going to
3 be a motion to strike portions of that testimony.

4 MS. TAFF-RICE: Thank you, Your Honor.

5 JOSEPH AYALA

6 called as a witness on behalf of Rhythms Links,
7 Inc., having been first duly sworn, was examined
8 and testified as follows:

9 DIRECT EXAMINATION

10 BY MS. TAFF-RICE:

11 Q. Mr. Ayala, will you please state your
12 name and your business address for the record?

13 THE WITNESS:

14 A. Joseph Ayala. It's 9100 East Mineral
15 Circle, Englewood, Colorado 80112.

16 Q. And what is your title?

17 A. I'm the EDI /OSS Manager for Rhythms.

18 Q. Did you cause to be filed direct
19 testimony on behalf of Rhythms Links Inc. in this
20 rehearing of Docket Number 00-0393 that consists of
21 26 pages?

22 A. Yes.

1 Q. And was your testimony prepared by you
2 or under your supervision and direction?

3 A. Yes.

4 Q. Do you have any changes to your
5 testimony this morning?

6 A. No.

7 Q. So if I asked you the same questions
8 today, your answers would be the same?

9 A. Yes.

10 MS. TAFF-RICE: Thank you, Your Honor. The
11 witness is available for cross.

12 MR. BINNIG: Your Honor, our motion to strike
13 I'll be brief. It's just two sections of
14 Mr. Ayala's testimony, and the grounds is the same
15 for each. It's the testimony beginning on page 3,
16 line 6. It's the question and answer what type of
17 OSS information does the FCC require SBC-Ameritech
18 to provide to CLECs, and then the next question and
19 answer as well, what type of access is
20 SBC-Ameritech required to provide to CLEC, and the
21 answer to there continues over to page 4, line 6.
22 And then also on page 24 there's a sentence

1 starting on line 14, ending on line 17, and our
2 grounds for moving --

3 MS. TAFF-RICE: I'm sorry. Just the question?
4 It starts on 14 and ends on 17; that's just the
5 question.

6 MR. BINNIG: On page 24 lines 14 through 17,
7 that sentence. At least in my version that's the
8 sentence that begins: "Any failure to provide CLECs
9 with direct --

10 JUDGE WOODS: Okay. Let's go off the record.
11 We've obviously got a pagination problem because
12 that's not what my copy says.

13 (Whereupon at this point in
14 the proceedings an
15 off-the-record discussion
16 transpired.)

17 JUDGE WOODS: Okay. We'll go back on the
18 record.

19 During an off-the-record discussion I
20 think we have now oriented ourselves as to which
21 lines Mr. Binnig is addressing, so, Mr. Binnig, do
22 you wish to continue?

1 MR. BINNIG: Yes, Your Honor. Thank you.

2 Our grounds for moving to strike these
3 portions is that the testimony is purely legal
4 conclusions, relates purely to legal issues, and to
5 the extent that we hear a response well, this is
6 simply the witness's understanding, we would move
7 to strike it on the grounds that it's irrelevant.
8 His understanding of what the law requires is
9 simply irrelevant.

10 JUDGE WOODS: It's overruled.

11 Do you want to move it?

12 MS. TAFF-RICE: Yes, Your Honor. I'd like to
13 move Exhibit 1.0.

14 JUDGE WOODS: It's admitted over objection.

15 (Whereupon Rhythms
16 Rehearing Exhibit 1.0 was
17 received into evidence.)

18 JUDGE WOODS: Mr. Binnig.

19 MR. BINNIG: Thank you.

20 CROSS EXAMINATION

21 BY MR. BINNIG:

22 Q. Mr. Ayala, I want you to turn to page 3

1 of your testimony, and you have a question here
2 beginning on line 6, in my version anyway, what
3 type of OSS information does the FCC require
4 SBC-Ameritech to provide to CLECs. Do you see
5 that?

6 A. Yes.

7 Q. And in your answer you have a couple
8 footnotes to paragraph 425 and paragraph 430 of the
9 UNE Remand Order.

10 A. Yes.

11 Q. Have you read those paragraphs?

12 A. Yes, I have.

13 Q. Do the words access to back office
14 systems, direct access to back office systems, or
15 unmediated access to back office systems appear
16 anywhere in those paragraphs?

17 A. I would have to look.

18 Q. You'd have to look?

19 A. Yes.

20 Q. And we can break them down if you'd
21 like. Let me know if in paragraph 425 or 430 the
22 phrase access to back office systems appears.

1 A. I see in 425 it says the -- in the
2 second sentence, OSS includes the manual,
3 computerized, and automated systems.

4 Q. That wasn't my question, Mr. Ayala .

5 JUDGE WOODS: I think, Mr. Binnig, if you'd
6 just let him finish his answer, he might get to it.

7 MR. BINNIG: Okay.

8 A. Together with associated business
9 processes and up-to-date data maintained in those
10 systems.

11 MR. BINNIG: I move to strike the answer as
12 nonresponsive, Your Honor. My question is do the
13 words --

14 JUDGE WOODS: If you'll allow me to rule,
15 Mr. Binnig, you might get your objection ruled on.

16 MR. BINNIG: Thank you.

17 JUDGE WOODS: Certainly. I forgot what the
18 motion was.

19 MR. BINNIG: I was moving to strike the answer
20 as nonresponsive.

21 JUDGE WOODS: It will be stricken.

22 MR. BINNIG: Thank you.

1 JUDGE WOODS: Can you restate the question?

2 MR. BINNIG: I'll read the question again.

3 JUDGE WOODS: Thank you.

4 MR. BINNIG:

5 Q. Does the phrase access to back office
6 systems appear anywhere in paragraph 425 or 430?

7 A. No, it does not.

8 Q. Does the phrase direct access to back
9 office systems appear anywhere in paragraph 425 or
10 430?

11 A. No, it does not.

12 Q. Does the phrase unmediated access to
13 back office systems appear anywhere in paragraphs
14 425 or 430?

15 A. No, it does not.

16 Q. Mr. Ayala, are you familiar with the
17 HEPO on rehearing in the Illinois Commerce
18 Commission's OSS arbitration docket, that's Docket
19 00-0592, which was issued I believe the same day
20 that you served your testimony?

21 A. I don't think I've seen that document.

22 Q. You're aware generally, aren't you, that

1 there was an arbitration in front of the Commission
2 which came out of the merger approval order by the
3 Illinois Commission --

4 MS. TAFF-RICE: Your Honor, I'd like to see a
5 copy before he approaches the witness.

6 JUDGE WOODS: All right.

7 Q. Which addressed, among other issues, the
8 issue of direct access to back office systems?

9 A. Yes.

10 Q. I'm going to show you the Administrative
11 Law Judges' Proposed Order on Rehearing in that
12 docket, and I'd like to turn you to page 12, ask
13 you to turn to page 12 of that, and I'd like to
14 refer your attention to the first paragraph at the
15 top of page 12, and I'm going to read the first
16 couple sentences.

17 It reads: "Turning once again to the UNE
18 Remand Order, and reviewing the FCC's directives,
19 we see no language therein to support an
20 entitlement of unmitigated direct access to back
21 office systems. We remain convinced that our
22 interpretation of the UNE Remand Order, the

1 controlling federal authority for this issue, is
2 solid. Indeed, both Staff and Ameritech read the
3 federal law in the same way consistent with the
4 plain language construct." Do you see that?

5 A. Yes.

6 Q. Is this the first time you've seen that
7 language, Mr. Ayala?

8 A. No. I've also read it in one of the
9 testimony filed by SBC.

10 Q. Okay. Did you participate in that
11 proceeding, Mr. Ayala?

12 MS. TAFF-RICE: Your Honor, I'm going to
13 object. This is not something that Mr. Ayala
14 testified to. As I understand the scope of this
15 rehearing, it's suppose to be about the issue of
16 direct access as it was litigated in the case
17 below. I don't see how this is relevant to this
18 proceeding.

19 JUDGE WOODS: I'm having a little problem with
20 relevance too.

21 MR. BINNIG: Same legal issue, Your Honor.

22 JUDGE WOODS: I would agree with you it's the

1 same legal issue. I have some problem with what
2 the relevance of a proposed order is, which you can
3 argue in the briefs. I just --

4 MR. BINNIG: That's fine, Your Honor.

5 JUDGE WOODS: Okay.

6 MR. BINNIG:

7 Q. Are you familiar, Mr. Ayala, with the
8 Texas arbitration award that was issued last Friday
9 in Texas, which I believe that your counsel has
10 referred to with other witnesses earlier in this
11 proceeding?

12 A. I have not seen that, that document.

13 Q. So you don't know whether that
14 arbitration award also rejects the CLECs' request
15 for direct access to back office systems.

16 MS. TAFF-RICE: Objection, Your Honor, to the
17 way that counsel is characterizing the Texas award.

18 MR. BINNIG: I can read it to him and ask him
19 if he's aware of it.

20 A. I already said I'm not aware of the
21 document.

22 JUDGE WOODS: There's your answer.

1 Q. Are you aware of any substance in the
2 document?

3 A. I have not seen the document.

4 Q. Have you discussed the document with
5 anyone?

6 A. No.

7 Q. Let's move to page 4 of your testimony,
8 Mr. Ayala. At line 7 you have a question that
9 says: "Does Ameritech oppose providing CLECs with
10 direct access to its OSS?" Do you see that?

11 A. Yes.

12 Q. And then you have an answer here: "Yes.
13 SBC-Ameritech opposes giving CLECs the same direct
14 access that it gives itself." Do you see that?

15 A. Yes.

16 Q. Did you write this question and answer,
17 Mr. Ayala?

18 A. No.

19 Q. Okay. Who wrote this?

20 A. It was -- well, it was written in
21 conjunction with counsel. I reviewed all the
22 answers. I provided input, and then the final

1 document was written.

2 Q. Let's turn to page 7 of your testimony,
3 Mr. Ayala, and I want you to focus on -- and I hope
4 our pagination still lines up here. At lines 1
5 through 6 I have a sentence that reads: "However,
6 if Mr. Waken means information such as employment
7 records, tax information or property inventories,
8 his argument is completely misleading and
9 irrelevant." Do you see that?

10 A. Page 7?

11 Q. It's on my page 7. This may be where
12 our copies begin to diverge. It's in the response
13 to question --

14 A. It's on --

15 Q. -- 13, the sentence that reads:
16 "However, if Mr. Waken --

17 A. Yes. Mine is on page 6.

18 Q. Okay. Do you have that?

19 A. Yes.

20 Q. Okay. Now, I take it, Mr. Ayala, that
21 you and your company, Rhythms, is not seeking
22 partitioned access to Ameritech Illinois' back

1 office systems. Is that fair?

2 A. What do you mean by partitioned?

3 Q. Well, it's not seeking access to just a
4 piece or a part of any particular back office
5 system. Is that fair?

6 A. We are looking for information that
7 would be useful and relevant in providing the
8 service to the end user.

9 Q. Okay. I'm going to ask you to assume a
10 hypothetical. Let's assume there's a back office
11 system, Mr. Ayala, that has a bunch of different
12 information in it, including things like tax
13 information, including things like property
14 inventories, and then also including perhaps some
15 loop qualification related information. Is your
16 company willing to have simply partitioned access
17 to the loop qualification information or are you
18 seeking access to the entire back office system?

19 A. I would say if the ILEC is not able to
20 partition the information and that the only way we
21 would be able to access that system is to have also
22 -- view these employment records, tax information,

1 or property inventories, then we would need the
2 whole back end to assess.

3 Q. Okay.

4 A. Taking into account that we would be
5 under the same proprietary rules and regulations as
6 the ILEC is when they're also viewing this type of
7 customer information.

8 Q. Okay. So if there were back office
9 systems that encompassed this wide range of
10 information and it wasn't practicable to partition
11 out a particular type, then you would be seeking
12 access to all that information. Is that right?

13 A. Well, I think that they can partition it
14 out, so I don't think that's going to be a
15 question.

16 Q. Isn't that what Ameritech's existing
17 gateways do today?

18 A. Ameritech's gateways, according to SBC
19 witnesses, don't filter any information, so I don't
20 know how to respond to that question. If you're
21 saying it doesn't return this type of like CPNI
22 information, that's probably incorrect. I mean we

1 get back addresses, telephone numbers, things like
2 that, and that's all considers CPNI, so there is
3 some information that we're getting back today.

4 MR. BINNIG: Your Honor, I'll move to strike
5 that. That's not responsive to my question. I
6 didn't even mention CPNI information.

7 MS. TAFF-RICE: Your Honor, he asked if there
8 was information in the data basis that couldn't be
9 separated out that was apparently of a confidential
10 nature and what would Rhythms' position be, and I
11 think Mr. Ayala is attempting to address what the
12 situation would be if there was something
13 considered CPNI in a database that's also got, you
14 know, other kinds of information in it that we feel
15 is useful for provisioning.

16 MR. BINNIG: What I asked about was the
17 information that Mr. Ayala refers to in his
18 testimony here: employment records, tax
19 information, or property inventories. We're not
20 talking about CPNI information.

21 A. I would --

22 JUDGE WOODS: The answer will stand.

1 A. And I'll refer you to the sentence that
2 follows that where I said CLECs are not seeking
3 access to such information.

4 Q. Okay. But my question, Mr. Ayala, is
5 that if databases contained that information along
6 with the information you claim to be seeking, loop
7 qualification information, that's what you claim to
8 be seeking. Isn't that right?

9 A. Okay.

10 Q. And if it is not practicable to
11 partition those types of information, okay? I want
12 you to assume both of those things, okay?

13 A. Okay.

14 Q. If that is the case, then what you would
15 be seeking is access to the entire back office
16 system. Isn't that right? All the information in
17 that system.

18 A. I have to answer the question in terms
19 of you're saying if it's practical. SBC has not
20 done any cost analysis as to what it would take to
21 have to add that information in. How can I -- I
22 can't base a question upon a hypothetical number.

1 Practical to me might mean it costs \$100. Well,
2 then, yes, I think it's practical that they do so.

3 MR. BINNIG: Your Honor, --

4 JUDGE WOODS: Mr. Binnig, actually I think the
5 record will reflect that he's already answered the
6 question, and the answer was yes, so.

7 MR. BINNIG: Okay. That's fine, Your Honor.

8 Q. Let's move on to page 11, Mr. Ayala, and
9 at lines 14 through 17 on my version I'm looking at
10 question 18 and the answer to question 18.

11 A. Uh-huh.

12 Q. I don't know if that appears on page 11
13 or page 10 of your copy.

14 A. It's 11. I just want to make sure the
15 numbers are correct.

16 Q. And in the answer, I'm looking at what
17 looks like the fourth sentence in the answer that
18 refers to -- where you state: "Mr. Waken identifies
19 a back office system called PRONTO Construction
20 Administration Tool (PCAT)." Do you see that?

21 A. Yes.

22 Q. Have you ever used the Pronto DTI

1 function on its Web site, the DSL tracking inquiry
2 function?

3 A. Not extensively. I know it exists.

4 Q. Okay. Do you know what that DTI inquiry
5 function provides to CLECs?

6 A. I think the intent was to provide Pronto
7 information, but I'm not a user of the system.

8 Q. Okay. So you don't know whether that
9 Web site already provides information as to whether
10 a particular RT has been or has not been Pronto
11 equipped and DSL enabled, and if it hasn't been,
12 what the estimated date for doing so is?

13 A. The information I know from PCAT is from
14 Mr. Waken's testimony.

15 Q. No, I'm talking about the DTI function.
16 That was my question.

17 A. I told you I haven't used DTI.

18 Q. So you don't know what information it
19 provides?

20 A. I'm not a user of DTI.

21 Q. If DTI provided information relating to
22 the status of particular Pronto RTs as to whether

1 they were DSL enabled or not, and if they weren't
2 yet DSL ready the estimated date that they would be
3 DSL ready, is that the information you're looking
4 for here?

5 MS. TAFF-RICE: Your Honor, I object. It has
6 already been asked and answered. He says he
7 doesn't know what's in the system.

8 JUDGE WOODS: No, that's not the same
9 question. The question is if it did perform those
10 functions, is that what he's looking for, and
11 that's a different question.

12 A. That would be true. However, I would
13 also state that it doesn't make sense that you
14 would have -- they would develop a PCAT system for
15 internal use and yet would have to then provide a
16 DTI tool for the CLECs to use. To me it seems we
17 should be working on the same data base in terms of
18 Pronto rollout, so if they're providing a PCAT for
19 internal use that has this information, it would
20 seem that we would just have access to PCAT as
21 well.

22 Q. Mr. Ayala, have you ever heard of a

1 construction management tool?

2 A. It seems like it's a generic term.

3 Q. Okay. Is it Rhythms or the SBC ILECs
4 who are actually constructing the Project Pronto
5 facilities?

6 A. I don't know.

7 Q. You don't know?

8 A. I don't know. What do you mean by
9 facilities?

10 Q. The facilities used to provide the ADSL
11 service.

12 A. So the actual circuit?

13 Q. The actual equipment, the physical
14 stuff. Who is building that?

15 A. I'm not an engineer. I don't know.

16 Q. Okay.

17 A. And that's not my responsibility to
18 know.

19 Q. Well, would you agree that it would seem
20 reasonable for the engineers who were building that
21 to have a tool to manage that construction process?

22 A. It makes sense, sure.

1 Q. And if Rhythms wasn't constructing the
2 Pronto facilities, it wouldn't need that tool,
3 would it?

4 A. Well sure. They would need to know for
5 planning purposes when the remote terminal would be
6 turned up.

7 Q. That's not my question, Mr. Ayala. If
8 Rhythms wasn't constructing Pronto facilities, it
9 wouldn't need that construction tool. Isn't that
10 right?

11 A. That's right.

12 Q. Turn to page 12, please, at least in my
13 version, and I'll give you a question and answer
14 here. I'm looking at question 20. Do you have
15 that?

16 A. Yes.

17 Q. Okay. And that question would read:
18 "Didn't CLECs have an opportunity to audit
19 Ameritech Illinois' back office systems and
20 databases before?" Do you see that?

21 A. Yes.

22 Q. And you answer yes, and you refer to an

1 audit in October 2000. Is that correct?

2 A. Yes.

3 Q. And you also discuss this audit later in
4 your testimony, don't you?

5 A. Yes.

6 Q. Okay. You actually did not physically
7 participate in that audit, did you?

8 A. No.

9 Q. So you have no personal knowledge of
10 what physically occurred during that audit in
11 Illinois, do you?

12 A. I have the knowledge of speaking with
13 each individual who was there.

14 Q. My question was you have no personal
15 knowledge of what --

16 A. If personal knowledge means speaking to
17 people, then the answer is yes. If it means that I
18 was physically there, the answer is no.

19 Q. Okay. That's fine. And so all your
20 knowledge is based on what other people told you
21 with respect to that audit. Isn't that right?

22 A. Yes.

1 Q. Let's turn to page 16 of your testimony,
2 and, again, I'll give you a Q and A reference here.
3 I'm looking at the answer to question 24, and in my
4 copy it's at lines 7 through 9 the sentence, but it
5 may be up higher in the text in yours. It is the
6 sentence that reads: "In fact, SBC/Ameritech
7 official have already publicly announced that the
8 continuation of a separate data affiliate is in
9 doubt."

10 A. Yes.

11 Q. Did you review the press release that
12 you refer to there?

13 A. I've seen the press release.

14 Q. You've reviewed that?

15 A. Yes.

16 Q. Does the phrase in doubt appear anywhere
17 in that press release?

18 A. I don't have the press release in front
19 of me.

20 Q. You'd agree that the press release says
21 what it says?

22 A. I agree the press release would say what

1 it says.

2 Q. Okay. And so this sentence here is
3 simply your characterization of that press release
4 because it doesn't appear to be a direct quote?

5 A. I don't have the press release in front
6 of me. I would be able to better answer if I did.

7 Q. The only language that you actually
8 quote from the press release appears in the next
9 sentence. Is that right?

10 A. I would like to see a press release
11 before I answer that.

12 Q. I'm talking about your testimony here.

13 A. Correct, but you're asking if it's
14 actually taken from quotes from the press release,
15 so I'd like to see the press release to be able to
16 review that.

17 Q. Well, I assume that quotation marks
18 around your testimony means that you were quoting
19 the press release. Is that right?

20 A. Yes.

21 Q. Okay. And the only place those
22 quotation marks appear is in the next sentence.

1 Isn't that right?

2 A. And in the one above. Maybe on my form,
3 not yours. Sorry.

4 Q. I'm looking at the sentence that reads:
5 "In fact, SBC/Ameritech officials have already
6 publicly announced that the continuation of a
7 separate data affiliate is in doubt."

8 A. Correct. That's not in parentheses in
9 mine.

10 Q. That's not in quotation marks. Isn't
11 that right?

12 A. No.

13 Q. It's only in the following sentence that
14 there appear to be words in quotation marks. Is
15 that right?

16 A. Correct.

17 Q. Let's go to page 26, Mr. Ayala. Again,
18 we may have some paging or line differences. I'm
19 looking at the answer to question 36.

20 A. Okay.

21 MS. TAFF-RICE: Your Honor, I just want to
22 caution the witness that part of this answer is

1 deemed confidential information by SBC, and I want
2 to caution the witness to keep that in mind. You
3 know, please be careful and phrase it such that you
4 don't reveal the confidential portion of your
5 answer.

6 JUDGE WOODS: Was this marked as a proprietary
7 exhibit?

8 MR. BINNIG: The testimony?

9 JUDGE WOODS: Let's go off the record.

10 (Whereupon at this point in
11 the proceedings an
12 off-the-record discussion
13 transpired, and the exhibit
14 was remarked now as Rhythms
15 Rehearing Exhibit 1.0P.)

16 JUDGE WOODS: Let's go back on the record.

17 During the off-the-record discussions I
18 believe counsel for Rhythms as well as counsel for
19 Ameritech have agreed that this document does
20 contain confidential materials. To that end, it
21 has been relabeled as Rhythms Exhibit 1.0P for
22 proprietary, and I have asked and been assured that

1 we'll be supplied a version of this that has been
2 redacted for inclusion in the public record.

3 Mr. Binnig, you may resume.

4 MR. BINNIG:

5 Q. Mr. Ayala, I'm looking at your answer to
6 question 36.

7 A. Uh-huh.

8 Q. And I'm looking at a sentence that says,
9 and this is in the nonconfidential portion, "It
10 appears to me that Mr. Waken's guesses are
11 overstated. I'm aware that SBC already has the
12 capability to inventory different types of line
13 cards used to provide different services (e.g.
14 POTS, ISDN, etc).", and then you have a footnote
15 there. Do you see that?

16 A. Yes.

17 Q. The footnote refers to a document with a
18 Bate stamp number 009986 through 009989. Do you
19 see that?

20 A. Yes.

21 Q. I believe this was just used as a cross
22 exhibit, a confidential cross exhibit with

1 Mr. Hamilton.

2 Do you have a marked copy of that I can
3 just show him?

4 REPORTER DAVIS: Yes.

5 MR. BINNIG: All I want him to confirm is that
6 the document that he's referring to is the one that
7 was used as a cross exhibit.

8 Q. Is that the document that you're
9 referring to there in your testimony?

10 A. Yes.

11 Q. Okay. So this is what you relied on for
12 the statements that we just read, those two
13 sentences in your testimony?

14 A. Yes, it is.

15 MR. BINNIG: That's all I have, Your Honor.

16 JUDGE WOODS: Okay. Redirect?

17 REDIRECT EXAMINATION

18 BY MS. TAFF-RICE:

19 Q. Mr. Ayala, do you remember Mr. Binnig's
20 question to you about if there were hypothetical
21 databases that contained both tax and employment
22 and loop provisioning information in them?

1 A. Yes.

2 Q. In your experience -- you've worked at
3 Pacific Bell, have you not?

4 A. Yes.

5 Q. In your experience, have you ever seen a
6 database that contains both tax, employment, and
7 loop provisioning information in it?

8 A. No.

9 Q. Have you ever seen a database that
10 contains tax and loop provisioning information in
11 it?

12 A. No.

13 Q. Or employment and loop provisioning
14 information in it?

15 A. No.

16 Q. In your experience at working at Pacific
17 Bell, those kinds of systems that included
18 employment records, etc., were kept in completely
19 separate systems that were not accessible by the
20 general public. Correct?

21 A. Correct.

22 Q. And were not accessible even by all

1 employees at Pacific Bell.

2 A. Correct.

3 MS. TAFF-RICE: That's all I have, Your Honor.

4 JUDGE WOODS: Okay.

5 MR. BINNIG: Nothing further.

6 JUDGE WOODS: Thank you, Mr. Ayala.

7 (Witness excused.)

8 Let's go off the record.

9 (Whereupon at this point in
10 the proceedings an
11 off-the-record discussion
12 transpired.)

13 JUDGE WOODS: Let's go to lunch and come back
14 in an hour.

15 (Whereupon lunch recess was
16 taken until 1:05 P.M.)

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1 A F T E R N O O N S E S S I O N

2 (Whereupon the proceedings were
3 hereinafter stenographica lly
4 reported by Carla Boehl.)

5 JUDGE WOODS: We'll go back on the record.

6 MR. BOWEN: Your Honor, we have a couple of
7 housekeeping matters before we get to presenting
8 Mr. Watson. I don't believe that I have moved the
9 admission of 1P and 2P which were both cross exhibits
10 on Mr. Hamilton. Let me move them conditionally. I
11 know you may want to think about 1 until after Waken
12 comes on, but again 1P was the line terminal status
13 document. We are looking to see if it's current or if
14 there is a more current version. But we will move it
15 at this time, understanding he may wish to reserve a
16 ruling until you hear the cross of Mr. Waken, or you
17 may wish to admit it now and replace it later,
18 whatever, whatever your preference is on that.

19 With respect to 2P, Hamilton 2P, I would
20 move the admission of that now, understanding as I
21 said that we have a more complete version on the way.
22 We would just as soon have the more complete version

1 on the record as opposed to a partial.

2 JUDGE WOODS: Frankly, Mr. Bowen, I don't
3 know who I would rather have the burden of remembering
4 to do this at a later date, you or me. So I think at
5 this time I will withhold ruling and it's going to be
6 up to you to remind me to do what I have got to do.

7 MR. LIVINGSTON: We would like to move right
8 now for the Commission of 1P.

9 JUDGE WOODS: I know you would, but it is not
10 your exhibit.

11 MR. LIVINGSTON: We used it with his witness
12 and his witness relied on it. I would like to have in
13 the record what he relied on.

14 JUDGE WOODS: Do you have it marked as a
15 cross exhibit?

16 MR. LIVINGSTON: It had been marked as a
17 cross exhibit. We used his markings.

18 MR. BOWEN: Your Honor, I am happy to admit
19 this document as Rhythms Cross Hamilton 1P. And if
20 there is a later version available we will simply mark
21 it as another exhibit number. Can we reserve Hamilton
22 3P for that?

1 JUDGE WOODS: That's a good idea.

2 MR. LIVINGSTON: And if there is a more
3 recent one, we will stipulate to its admissibility.

4 JUDGE WOODS: So 1P is in. We are still
5 waiting to see if we get a version of 2P that's got a
6 price, a contract price, is that what we are waiting
7 for?

8 MR. BOWEN: We are on 2P and we are holding
9 for a possible 3P. I think that's my housekeeping.

10 (Whereupon Rhythms
11 Rehearing Hamilton Cross
12 Exhibit 1P was admitted into
13 evidence.)

14 JUDGE WOODS: All right. Also your witness,
15 right?

16 MR. BOWEN: Yes. Rhythms calls Danny Watson
17 who has been previously sworn.

18 Your Honor, could you mark as follows two
19 exhibits as Rhythms Rehearing Exhibit 2.0P, the reply
20 testimony of Danny Watson on behalf of Rhythms Links,
21 Inc., dated July 2, 2001, consisting of 36 pages of
22 questions and answers, and then exhibits DW-1, DW-2

1 and DW-3; and then as Rhythms Rehearing Exhibit 2.1P,
2 the supplemental reply testimony of Danny Watson on
3 behalf Rhythms Links, Inc., dated July 13, 2001,
4 consisting of 17 pages of questions and answers and an
5 attached Exhibit DW-4.

6 I would note that I am asking to mark
7 these versions as P because they both contain
8 information that Ameritech deems to be confidential
9 and/or that Alcatel deems confidential. We have
10 supplied to the e-docket and will supply to Your Honor
11 on Monday public versions of these which we would ask
12 you to mark as Version 2.0 and 2.1, respectively.

13 JUDGE WOODS: Okay. Objections? I think we
14 already had a objection to the supplemental that's
15 been ruled on, correct?

16 MR. LIVINGSTON: Yes. I, obviously, don't
17 want to burden the record, but I would like to
18 preserve my objection, and I understand Your Honor is
19 going to deny it.

20 JUDGE WOODS: All right. You are indeed.

21 MR. BOWEN: So we move the admission of 2.0,
22 2.0P, 2.1 and 2.1P at this time.

1 MR. LIVINGSTON: No objection to 2.0P. I
2 renew my objection to 2.1P.

3 JUDGE WOODS: The 2.0 and 2.1 will be
4 admitted upon receipt. 2.0 and 2.1 are admitted over
5 objection.

6 (Whereupon Rhythms Rehearing
7 Exhibits 2.0, 2.0P, 2.1 and
8 2.1P were marked for purposes
9 of identification as of this
10 date and admitted into
11 evidence.)

12 The witness is available for cross.

13 MR. BOWEN: Actually, I should probably
14 qualify the testimony first.

15 MR. LIVINGSTON: I think we went backwards,
16 right?

17 MR. BOWEN: I didn't get to walk him through
18 the qualifying questions.

19 MR. LIVINGSTON: I will stipulate that you
20 would have asked him if he would have said the same
21 thing and he would say yes.

22 MR. BOWEN: Your Honor, it is just like Mr.

1 Livingston to do it so well, so I think we are ready
2 for cross.

3 DANNY WATSON

4 called as a Witness on behalf of Rhythms Links, Inc.,
5 having been first duly sworn, was examined and
6 testified as follows:

7 CROSS EXAMINATION

8 BY MR. LIVINGSTON:

9 Q. Good afternoon, Mr. Watson.

10 A. Good afternoon.

11 Q. My name is Ted Livingston. I am one of
12 the lawyers representing Ameritech Illinois in this
13 proceeding. Could you please direct your attention to
14 your reply testimony, 2.0P?

15 A. Yes, I have it.

16 Q. When did you leave PacBell?

17 A. Mid-November last year.

18 Q. Mid-November 2000?

19 A. Yes.

20 Q. You basically worked your entire career
21 at PacBell?

22 A. Yes.

1 Q. I would like to direct your attention to
2 page 5.

3 A. Okay.

4 Q. And just to set the context, you are
5 talking in the answer that appears the bulk of page 5,
6 you are answering a question that deals with voice and
7 data on a single facility, is that right?

8 A. That's correct.

9 MR. BOWEN: Mr. Livingston, I am sorry to
10 break in. I apologize to Your Honor and the parties.
11 I did not do something that we had planned to do and
12 have the right to do and that is to ask additional
13 direct testimony on a point that Mr. Ireland raised in
14 his cross examination. I know you have begun the
15 cross, but I would like to go ahead and do that so
16 that Mr. Livingston can cover that in his cross
17 examination as well. That is the topic here was --

18 JUDGE WOODS: Without objection? Do you have
19 any problem with that, Mr. Livingston?

20 MR. LIVINGSTON: I am operating at a
21 disadvantage because I wasn't in the hearing room when
22 it happened, but I am assuming that Your Honor know.

1 So if Mr. Binnig didn't object to it at the time,
2 let's go.

3 JUDGE WOODS: That's a rather rash assumption
4 that I know what I am doing, but we will go.

5 MR. BOWEN: Thank you.

6 DIRECT EXAMINATION

7 BY MR. BOWEN:

8 Q. Mr. Watson, were you present during the
9 cross examination and other testimony of Mr. Ireland?

10 A. Yes, I was.

11 Q. And did you hear him testify -- I am
12 going to be paraphrasing here -- to the effect that
13 the PVC, permanent virtual circuit, that's created
14 using a Litespan platform goes all the way from the
15 central office OCD to the customer premises?

16 A. Yes, I heard that.

17 Q. Do you agree with that?

18 A. No.

19 Q. Can you tell me why not?

20 A. Certainly. The Project Pronto
21 architecture is a hybrid fiber and copper delivery
22 system for ATM cells. And where that hybrid system

1 extends from the CO to the end user, part of the
2 distance or length or part of the facilities are fiber
3 and then the remainder of the facilities are copper.
4 And ATM cells, as Dr. Ransom explained, ATM cells do
5 exist in the DMT bit stream over copper, but it is not
6 the case that the VC, the virtual channel, exists over
7 copper.

8 Q. Okay. Where does the PVC or the VC stop
9 and start on the architecture?

10 A. Well, that's very simple, really. The VC
11 which is contained inside the VP starts at the end in
12 the central office where the OCD makes a logical cross
13 connect. And the VC ends in the NGDLC at the remote
14 terminal where the processor of that NGDLC delivers
15 the -- makes another separate logical cross connect
16 within itself, within the NGDLC, and delivers ATM bit
17 cells to the ADLU slot.

18 Q. Okay. And then how do the ATM cells get
19 transported between the ADLU card and the premises if
20 it's not in a PVC?

21 A. Well, the ADLU card does what it does and
22 receives the ATM cells which road the VP and the VC

1 via the fiber and the logical cross connect. It does
2 its thing and delivers to the output on the back plane
3 of the slot, delivers a, in SBC's case, a DMT DSL
4 signal out to the end user via -- over copper.

5 Q. And what is DMT? Is that some kind of
6 line coding?

7 A. It is. It is discrete multitone as
8 opposed to CAP. CAP is another line coding
9 technology, carrierless amplitude pulse. In Dr.
10 Ransom's words, to paraphrase Dr. Ransom, Alcatel
11 builds a cap, ADLU card, and they build a DMT ADLU
12 card, and Alcatel is agnostic. That's the word of his
13 that I would use in my paraphrase. Alcatel doesn't
14 care. You can buy either card from them. I do want
15 to acknowledge, though, that SBC uses only DMT type
16 line code technology.

17 Q. Okay. Now, what's the significance of
18 the fact that the PVC ends at the NGDLC and doesn't go
19 all the way to the customer premises?

20 A. Well, the significance is that, lacking
21 the line card, the fiber has no connectivity to the
22 copper. I am sorry, there is no path, there is no

1 continuity for the ATM cells in the bit stream to make
2 the connection in this hybrid architecture.

3 Q. And can you access the PVC at one end by
4 plugging in the line card?

5 A. Certainly.

6 Q. Now, do you have any independent evidence
7 that you can think of that you are right about this
8 and that Mr. Ireland is wrong? That is, that you are
9 right in your claim that the PVC starts and ends on
10 the fiber system and that there is no PVC on the
11 copper subloop?

12 A. Sure. Two things come to mind. One is
13 knowledge that ILECs, specifically SBC, they have
14 inventory type systems, OSSs, and for ATM -- I am
15 sorry, for fiber, they have an inventory system named
16 SOLID. And SOLID uses a framework of VPs and VCs to
17 administer really the band width or assign the band
18 width of a fiber or a fiber system, perhaps, a
19 physical fiber. And on the copper side, SBC uses -- I
20 don't know that they use it in all 13 states -- but
21 they use LFACS, a Telcordia OSS, to inventory copper.

22 Q. Okay. And does SOLID in fact inventory

1 and assign or at least inventory PVCs on the fiber
2 system?

3 A. Yes, it does.

4 Q. And does LFACS inventory PVCs?

5 A. No, it does not.

6 Q. What does LFACS inventory then?

7 A. LFACS inventories, among other things,
8 cables and pairs. Some of the other things it
9 inventories is addresses. It inventories terminals.
10 It inventories a heck of a lot of things. But it does
11 not inventory VPs or VCs.

12 Q. Okay. Well, if Mr. Ireland were right
13 and the PVC actually goes all the way to the customer
14 premises, wouldn't you have to have some inventory and
15 assignment system that would reflect that, like LFACS?

16 A. I would think so.

17 Q. And you are not aware of any such system
18 that would inventory PVCs or PVPs on the copper
19 system, are you?

20 A. No, I am not.

21 MR. BOWEN: That's all I have. Thank you,
22 Your Honor.

1 CROSS EXAMINATION

2 BY MR. LIVINGSTON:

3 Q. Can we go back to page 4 and 5?

4 A. Sure.

5 Q. We are talking about voice and data over
6 the same facility, correct?

7 A. That's right.

8 Q. Would the architecture have to be
9 reconfigured for that to happen today?

10 A. Would the Project Pronto Litespan 2000
11 protector?

12 Q. Well, let me just be very specific. If
13 you look at lines 13 through 15 on page 5, you state,
14 "It should be noted that Rhythms is not," and I think
15 you italicize "is not."

16 A. To emphasize, yes.

17 Q. So emphasize the word "not," correct?

18 A. Correct.

19 Q. Asking SBC-Ameritech to reconfigure its
20 Project Pronto architecture to actually carry both
21 voice and data traffic on the same fibers. So do I
22 take that to mean that to your understanding the

1 architecture as it exists today is not configured so
2 as to permit that?

3 A. I am struggling here to answer that
4 question. But where we find that the Project Pronto
5 architecture is a Litespan 2000 and it is not
6 configured to carry voice and data over one fiber, we
7 are not asking that it be reconfigured. But where the
8 Project Pronto infrastructure is a UMC1000 that's
9 existing and already uses that architecture, we don't
10 object to that. But, no, we are not asking -- the
11 meaning of the statement, I think, is pretty straight
12 forward. We are not suggesting that SBC reconfigure
13 its existing Pronto architecture.

14 Q. So I take your testimony to be that to
15 your understanding the Litespan 2000, for instance, is
16 not configured so as to permit both voice and data to
17 be carried on the same fiber?

18 A. That's accurate.

19 Q. Is the same true of the 2012, Litespan
20 2012, system?

21 A. I need to think for a minute. No, the
22 same is not true of the 2012.

1 Q. 2012 will do it right now?

2 A. I don't believe it will do it right now.

3 Q. It has to be reconfigured?

4 A. I am not sure of the status of the, I
5 believe, the WDM, the wave division multiplexing,
6 features of the Litespan 201 as it's in service to.

7 Q. So you don't know whether a
8 reconfiguration would be necessary or not with respect
9 to 2012, is that a fair statement?

10 A. That's a fair statement.

11 Q. If you are not asking that the
12 architecture be reconfigured to permit voice and data
13 over the same facility, why does this Question 6 and
14 answer appear in your testimony?

15 A. Well, because we think that existing
16 facilities that are in service are sometimes
17 problematic to upgrade and reconfigure. And, further,
18 we believe that new deployments could be -- the
19 architecture could be redesigned and avoid the
20 difficulties associated with reconfiguring a system
21 that's already been turned out.

22 Q. But you are not -- just to be very clear,

1 you are not asking that we reconfigure the systems as
2 they currently exist to permit this, is that right?

3 A. That's right. It's your system.

4 Q. Turn, please, to page 10.

5 A. Okay.

6 Q. Page 9.

7 A. Okay.

8 Q. Sorry. There is a lengthy answer that
9 takes up the entire page 9. I think it all relates
10 back to a question on page 7.

11 A. I see that.

12 Q. And I would like -- we are now talking
13 about the ATM switch at the CO, is that right, over
14 here on page 9, the paragraph that ends in the middle
15 of the page?

16 A. Yes.

17 Q. And that's the OCD?

18 A. Yes, it is.

19 Q. And you note that if Ameritech wanted to
20 install an ATM routing device solely to support CLECs,
21 we could have installed something that was far cheaper
22 than the ATM switches that we have installed?

1 A. Correct.

2 Q. What are these devices?

3 A. Well, the first thing that comes to mind
4 is what SBC and ASI deployed to manage the ATM traffic
5 out of the CO-based DSLAMs and that's a very small
6 Cisco router. I think maybe it's a 6130 but it's been
7 awhile. I am not sure about that. It's an extremely
8 small device.

9 Q. And they use that device for what?

10 A. They aggregate the traffic from a maximum
11 of 576 ports and subscribers in a CO-based DSLAM, an
12 Alcatel CO-based DSLAM. They aggregate that traffic
13 into a single DS3, and then they send that DS3 out to
14 the ATM cloud.

15 Q. And are you able to tell us how much the
16 Cisco 6130 costs?

17 MR. BOWEN: Are you asking for like a retail
18 price or the price that he might be aware of when he
19 was an employee at PacBell?

20 MR. LIVINGSTON: Either one.

21 MR. BOWEN: I would instruct you not to
22 answer the second option, that is the price that

1 Pacific Bell actually paid, as that is proprietary.

2 A. My experience at Pacific Bell put me in
3 and around these CO-based DSLAMs, and that particular
4 Cisco router I never was in the loop as far as pricing
5 them. I really do not know what the cost of that
6 device is.

7 Q. Any other devices you have in mind when
8 you wrote this testimony?

9 A. Not that I can recite by name.

10 Q. I would like to direct your attention to
11 the next page.

12 A. Okay.

13 Q. There on line 7 you talk about a couple
14 of classes of service that the Litespan system will
15 support, the HDSL2 and the G.HDSL, correct?

16 A. I see that, yes.

17 Q. Does the G.HDSL require Release 11?

18 A. I understand that it does.

19 Q. And is it your understanding that Release
20 11 hasn't even been tested yet?

21 A. That's my understanding.

22 Q. Testing is scheduled to occur, if it

1 occurs on schedule, later this summer, end of August?

2 A. That's what I heard here.

3 Q. Any guarantee that Release 11 will pan
4 out in the test?

5 A. I would suggest it's my experience that
6 generally SBC's analysis of software and hardware
7 that's provided, that has been provided by DSC in the
8 past and Alcatel more recently, generally survives and
9 passes the lab analysis.

10 Q. Generally, but not always?

11 A. I am not aware of -- well, I am aware
12 that releases go into the lab, they spend some time
13 there, perhaps the lab gives some push back to
14 Alcatel, and Alcatel comes up with, for instance, had
15 to go from 8.2.X to 8.2.6. And only after 8.2.6 was
16 refined did the lab then approve the software and did
17 SBC authorize the use of that software on their
18 network.

19 Q. So if testing commences late this summer,
20 early in the fall, quite some time could pass before
21 the release is actually accepted?

22 MR. BOWEN: Objection, calls for speculation.

1 JUDGE WOODS: He can answer.

2 A. Certainly, quite some amount of time
3 could reasonably pass before it's accepted.

4 Q. In the example you used, how much time
5 passed between the time that the lab got it and the
6 time that it was actually accepted by SBC?

7 A. As I remember eight, I think in 1998 I
8 think the lab might have had it for a minimum of four
9 months, perhaps longer. But I am not real solid on
10 the time frame. I haven't given it a lot of thought
11 recently.

12 Q. To your understanding does SBC or
13 Ameritech Illinois have any obligation at this time to
14 implement and deploy Release 11 irrespective of the
15 result of the testing?

16 A. An obligation to one entity. To Alcatel?

17 Q. Yes.

18 A. No, there is no obligation to Alcatel
19 that I am aware of.

20 Q. I would like to direct your attention to
21 page 11. I think you referred to this before, in the
22 middle of the page about lines 15 and 16 you refer to

1 wave division multiplexing and dense wave division
2 multiplexing, is that right?

3 A. Right, yes.

4 Q. And those are technologies that could be
5 used if you broke the chain that would permit you to
6 still only use one fiber, that is one OC-3c, instead
7 of three, is that right, in a nutshell?

8 A. Well, that's right if you want to put
9 yourself in a position of breaking the chain. But if
10 you do the WDM from the go down, then you don't ever
11 have to break the chain.

12 Q. Did you read Mr. Boyer's rebuttal
13 testimony in this case?

14 A. Yes.

15 Q. Do you remember his discussion of the WDM
16 technology that's available from Alcatel for the 2000
17 system?

18 A. Generally, yes.

19 Q. Was his description correct?

20 MR. BOWEN: Well, excuse me, if you are going
21 to ask him to confirm or deny Mr. Boyer's specific
22 analysis, I think you need to point the witness to the

1 page and ask him to react to that, please.

2 MR. LIVINGSTON: Let me withdraw the question
3 and ask this.

4 Q. You read the testimony, correct?

5 A. Yes.

6 Q. You read Boyer's rebuttal testimony?

7 A. Yes.

8 Q. And you recall reading about his
9 discussion or reading his discussion of the WDM
10 technology and specifically the technology that is
11 available from Alcatel for the 2000 system, you
12 remember that?

13 A. Generally, yes.

14 Q. At the time you read it, do you recall
15 forming any disagreement in your mind with what you
16 were reading on that subject?

17 A. I am going to have to say yes.

18 Q. What do you recall?

19 A. Well, I recall that in a nutshell his
20 position is about 180 degrees away from our position.

21 MR. LIVINGSTON: Would you hand the witness a
22 copy of that?

1 Q. Turn, if you will, to page 14.

2 A. Okay, I have page 14.

3 Q. And do you see the question there about
4 does Alcatel offer WDM in conjunction with Litespan
5 2000?

6 A. Yes, I do.

7 Q. And I would like you to read to yourself
8 the answer that follows through line 21 on page 15?

9 A. Through line 15? Okay. I will be there
10 in a minute.

11 Q. No, page 15 through the end of the
12 answer. I think it goes down to line 21.

13 A. Okay. I have read the entire thing.

14 Q. Okay. Let's go back to page 14. You
15 agree with the first sentence, correct?

16 A. Yes.

17 Q. Do you agree with the second sentence?

18 MR. BOWEN: Your Honor, just for the
19 transcript reference, it might be easier if we
20 indicate line numbers or read the sentence that is
21 being agreed to here.

22 Q. Okay. He states that WDM technology is

1 available from Alcatel for Litespan 2000, that's a
2 correct statement?

3 A. I agree.

4 Q. And he says that it would require
5 Ameritech Illinois to deploy additional equipment at
6 each RT to support it, that's correct as well?

7 A. I agree.

8 Q. Then he makes the statement regarding
9 what the Alcatel version of WDM does, beginning at
10 line 26 on page 14 and running through the end of the
11 paragraph, line 5 on page 15. You disagree with that
12 description?

13 A. I am sorry, and ending on page 15 at what
14 line?

15 Q. Line 5.

16 A. I do not disagree with that description.

17 Q. So he has accurately described what the
18 Alcatel WDM equipment does?

19 A. I believe so.

20 Q. Please read the next paragraph which
21 begins at line 6 and ends at line 14 on page 15.

22 A. Okay. I have read it.

1 Q. Do you disagree with that paragraph?

2 A. No.

3 Q. That paragraph is accurate?

4 A. Yes.

5 Q. I would like to direct your attention to
6 the next two sentences which appear at lines 15
7 through 18.

8 A. I see them.

9 Q. Do you agree with the next two sentences?

10 A. I agree that they are factual.

11 Q. I would like to direct your attention to
12 page 13.

13 MR. BOWEN: Of his testimony?

14 Q. Oh, you can set Boyer aside and move back
15 to your testimony, excuse me. Direct your attention
16 to the middle of the page. This is 13. You state
17 that, "Rhythms currently offers other types of xDSL,
18 both of which currently can be line shared." Have I
19 read that correctly?

20 A. Yes.

21 Q. What are you referring to there?

22 A. G.lite and RADSL, R-A-D-S-L.

1 Q. RASDL is rate adaptive DSL?

2 A. Correct.

3 Q. Does the Alcatel equipment support those
4 offerings today?

5 A. I do not believe that it does.

6 Q. Is it true that Alcatel is working on
7 making a G.lite offering possible?

8 A. That is my understanding.

9 Q. And is it your understanding that SBC has
10 agreed in the states where it is implementing and
11 deploying Project Pronto to make G.lite available on
12 an RT by RT basis on request as soon as it's
13 available?

14 A. I don't know -- I don't recollect that I
15 have ever heard that before.

16 Q. If it becomes available and SBC offers
17 it, is Rhythms going to request it?

18 A. I believe we will. And specifically in a
19 line sharing arrangement. That's your question? I
20 mean, is that your question, will we request it in a
21 line sharing configuration?

22 Q. Would you request it if it was part of

1 the broadband service?

2 A. I am not sure. We don't purchase the
3 broadband service today.

4 Q. Skipping down to lines 15 and 16, we are
5 talking about voice or video over xDSL, correct?

6 A. Yes.

7 Q. And is it your understanding that the
8 broadband service today provides a CBR quality of
9 service up to 96 kilobits per second?

10 A. I understand that a 96 kilobit CBR
11 offering is part of the broadband service.

12 Q. And would that support a voice line?

13 A. Certainly.

14 Q. With respect to video over xDSL, that
15 requires VBR, is that right?

16 A. That I do not know. It requires a lot
17 more band width than 96 kilobits.

18 Q. Do you know whether video over xDSL is
19 possible over CBR as opposed to VBR?

20 A. I do not know about the class of service
21 associated with video over DSL.

22 Q. Now, is it your understanding under the

1 broadband service that the CLECs can specify different
2 speeds?

3 A. Yes.

4 Q. If you subscribe to the broadband
5 service, could you simply sell what comes out of the
6 other end of the OCD or would you have to add
7 something?

8 A. I am not sure I understand the question.

9 Q. Well, let me rephrase it. You understand
10 in the broadband service that SBC delivers the signal
11 to collocated equipment belonging to the CLEC?

12 A. I do understand that.

13 Q. Does the CLEC do something else with that
14 signal to provide service to the customer?

15 A. Certainly, yes.

16 Q. What does it do?

17 A. Well, it has to accept that signal at an
18 OCD port, either DS3 or OC-3c, which had to have been
19 arranged in advance. And fiber cabling also had to be
20 arranged in advance, and a fiber or coax cable or
21 jumper brings that signal into the CLEC's collocation
22 arrangement, whether it be caged or cageless or

1 virtual. And then the CLEC does what they do with it
2 and essentially turns it around and sends it out to
3 the ATM cloud over another facility.

4 Q. And, ultimately, if we are talking about
5 internet access, to an ISP?

6 A. Sure, when I say over to the ATM cloud,
7 generally I am talking about to an ISP.

8 Q. And it has to have that equipment and do
9 that additional stuff in order to provide a service to
10 its customer, correct?

11 A. Sure, that OCD port and coax or fiber
12 cable or cross connect has to exist before the first
13 circuit in the broadband service can be arranged.
14 Once that infrastructure is in place, then additional
15 circuits can be provisioned with no concern about
16 infrastructure until, hopefully, we get to a capacity
17 problem.

18 Q. Okay. You have to have infrastructure in
19 place and at least for a time that's a one time thing?

20 A. Exactly.

21 Q. But then on an ongoing basis you have to
22 do other things with the signal in order to provide

1 the service to the end user customer, is that a fair
2 statement?

3 A. It is not registering in my mind what it
4 is that you are suggesting we are going to do with the
5 signal.

6 Q. Well, you have to deliver it to an ISP,
7 for instance, is that right?

8 A. Sure.

9 Q. And you do that?

10 A. Oh, yes, yes, right.

11 Q. SBC doesn't do that?

12 A. No, it's transparent to SBC once it hits
13 our arrangement.

14 Q. I would like to direct your attention to
15 there is a long question and answer, I think it's
16 Question 13, that begins on page 15 and runs over all
17 the way to the top of 17. Do you see that?

18 A. Yes, I do.

19 Q. And correct me if I am wrong, but what I
20 think you are doing here is you are -- well, let me
21 back up. You are running through basically a
22 four-prong analysis over these two and a half pages,

1 is that right?

2 A. Yes.

3 Q. And am I correct that that four-prong
4 analysis is based on the FCC rule that sets out the
5 conditions that have to be satisfied before packet
6 switching has to be unbundled?

7 A. Generally, yes.

8 Q. And I think in these pages you conclude
9 that all four conditions have been satisfied, correct?

10 A. That's our opinion.

11 Q. And that's your opinion, isn't it?

12 A. Yes.

13 Q. Did you write this answer?

14 A. Substantially, yes. I had a team helping
15 me with my reply testimony.

16 Q. Does your team include your counsel?

17 A. Naturally.

18 Q. So on page 15 you conclude that the first
19 prong is met and you state why, correct?

20 A. That's correct.

21 Q. Then you state that the second prong has
22 been satisfied or met, and then you discuss why that

1 is at the bottom of 15 and up through line 10 on page
2 16?

3 A. Yes.

4 Q. And then in the next paragraph you
5 discuss why the third and fourth prongs are met,
6 correct?

7 A. That's right.

8 Q. And the last sentence on that page is
9 devoted to why the fourth prong is satisfied, correct?

10 A. Right.

11 Q. And you say that that's met because "SBC
12 Ameritech clearly has deployed packet switching
13 capability in the loop plant as part of Project Pronto
14 as evidenced by the OCD in the central office and the
15 packetizing function perform by the ATM side," all
16 caps ATM, "of the NGDLC equipment." Have I read that
17 correctly?

18 A. Yes.

19 Q. And that sentence captures why you think
20 the fourth prong is satisfied, correct?

21 A. Yes.

22 Q. Now, you talk about the ATM side of the

1 NGDLC equipment. What is the ATM side of that
2 equipment?

3 A. That would be the -- at the remote
4 terminal, that would be, I believe, that would be the
5 logical cross connect that provides connectivity from
6 the end of the fiber in the ABCU you to the back plane
7 of a given slot in the channel bank assembly.

8 Q. Would the ATM side of the NGDLC equipment
9 include the ABCU card?

10 A. I believe it would.

11 Q. Does that card perform a multiplexing
12 function?

13 A. I understand that it does. A BCU, as I
14 recall, is simply a parallel to serial interface and
15 an ABCU does that same activity for voice and in
16 addition it does logical cross connects for the data
17 or ATM sites.

18 Q. And it multiplexes the data stream?

19 A. It does.

20 Q. And ABCU stands for ATM bank control unit
21 card, correct?

22 A. Correct. It still has to deliver the

1 POTS traffic where the BCU always did deliver the POTS
2 traffic. But it is not simply an ATM device. It
3 handles both voice and data.

4 Q. And with respect to the data, it
5 packetizes and multiplexes the data for transmission
6 onto the OCD, is that a fair statement?

7 MR. BOWEN: Are you asking is the it there,
8 counsel, the ABCU?

9 MR. LIVINGSTON: Yes.

10 A. For transmission towards the LCD?

11 Q. Yes.

12 A. Yes.

13 Q. How does Rhythms plan to use the Project
14 Pronto architecture?

15 A. We hope to enjoy line sharing on longer
16 loops in essentially very metropolitan areas on loops
17 that are not available for high speed DSL today over
18 copper deployment.

19 Q. You said very metropolitan area. You
20 thinking, for instance, the Chicago area?

21 A. Chicago is one of the markets that we do
22 business in, yes.

1 Q. What kind of services do you want to
2 provide using this architecture?

3 A. Well, I can tell you with conviction that
4 we want to provide the services we offer today. We
5 will provide the services that SBC allows through the
6 use of either a UBR or a 96 kilobit CBR. We look
7 forward to G.lite. We look forward to G.SHDSL, if I
8 remember correctly.

9 Q. G.HSDSL?

10 A. G.HSDSL, thank you.

11 Q. What do you want to do with that?

12 A. We want to deliver quicker service and
13 band width to our customers.

14 Q. Business customers?

15 A. Rhythms does market to business
16 customers.

17 Q. And the G.SHDSL would be useful in
18 providing high speed service to medium and large
19 businesses, is that a fair statement?

20 A. I believe so, yes.

21 Q. As opposed to the mass residential market
22 or small businesses, do you agree?

1 A. I agree.

2 Q. Now, you want to collocate cards, is that
3 right?

4 A. We want the option to collocate cards.

5 Q. And you have been here throughout the
6 hearing this week, correct?

7 A. Yes.

8 Q. And you have heard discussion about
9 virtual collocation of line cards?

10 A. Yes.

11 Q. Is that what you want?

12 A. Actually, in a nutshell, yes.

13 JUDGE WOODS: Very good. He has been here
14 all week.

15 Q. Is it true that you can't put voice
16 service and G.SHDSL on the same copper facility to the
17 end user?

18 A. I believe that you cannot line share
19 G.SHDSL.

20 Q. So you can't put voice and data on the
21 same copper facility running from the end user,
22 correct?

1 A. I believe so, correct.

2 Q. Now, just exploring your very succinct
3 nutshell, how would that work? How would your virtual
4 collocation of line cards work?

5 A. Well, to operate at a real high level and
6 to really simplify it, it might look like we would
7 purchase from Alcatel cards identical to what SBC
8 purchases. I am not going to substitute cards. We
9 purchase the same card, and we might transfer
10 ownership of that card along with the warranty
11 associated and along with all the rights and
12 obligations that go with that card, transfer those to
13 SBC for perhaps a dollar, and ask SBC to handle the
14 card initially and forever. If there is a repair
15 issue, they are the one who is going to take the old
16 card, put it in a box and ship it back to the factory
17 for warranty repairs or not, depending on the time
18 frame. But we would ask SBC to provision our orders
19 the way they provision ASI's orders.

20 Q. For this to work would everybody who uses
21 the architecture have to proceed in this fashion?

22 A. I believe so, yes.

1 Q. So if this arrangement were ordered,
2 Ameritech would be unable to offer the broadband
3 service?

4 A. No, I don't think so. We signed -- even
5 though we don't purchase broadband service today at
6 Rhythms, we signed a 13-state stand-alone BBS
7 agreement, an amendment to our interconnect agreement.
8 So we could start giving you orders soon.

9 I envision that this arrangement for
10 virtual collocation of line cards and the transfer of
11 ownership for only a dollar, etc., etc., I envision
12 that that arrangement would be captured in a separate
13 stand-alone agreement which would be another amendment
14 to the interconnect agreement in a particular state.
15 And that having executed that amendment and agreement,
16 then those CLECs who have that new arrangement would
17 be able to enjoy virtual collocation.

18 I am afraid that SBC would need to
19 operate at a dual mode and reject orders -- well, and
20 simply offer the broadband service and this other
21 service at the same time.

22 Q. So everybody wouldn't have to be in the

1 pool; some people could be in the broadband service
2 and some people could be in your virtual collocation
3 pool?

4 A. That would be one way, yes.

5 Q. Be pretty complicated, wouldn't it?

6 A. It would be somewhat complicated.

7 Q. There has been some suggestion in some of
8 the testimony -- you may or may not be aware of
9 this -- of the possibility of multiple CLECs sharing a
10 single card?

11 A. Sure, I am aware of that.

12 Q. Would that be something that would be
13 possible in this pooling arrangement that you have
14 described at a high level?

15 A. Sure. The pooling arrangement could
16 provide, as we have heard, a port credit. So that if
17 I give you a hundred cards, I get 200 port credits,
18 and I am okay until I give you 200 service orders or
19 when I reach a threshold just shy of 200, perhaps.

20 Q. So that's the arrangement you want. You
21 don't want to actually own and control the card and
22 have your people actually insert the card in the slot?

1 A. Correct.

2 Q. Page 21 -- first of all, on page 18,
3 lines 16 and 17, you refer to a significant percentage
4 of SBC-Ameritech's copper loops having pair gain
5 devices that make the loops unsuitable for DSL
6 service?

7 A. Correct.

8 Q. That's based on information about SWBT,
9 is that right?

10 A. Yes. This number in the testimony is
11 SWBT-specific, as I recall.

12 Q. And it's that number that was the basis
13 for your statement about a significant percentage.

14 A. Yes.

15 Q. Do you know what the situation is in
16 Illinois? You don't have to give me the exact number.

17 A. I don't know the exact Illinois number.
18 I don't know that. But I would expect, I do expect,
19 that across the 13 states the number is going to be
20 generally similar, or I expect that in Illinois the
21 number is going to be somewhat close to this number
22 for SWBT.

1 Q. Why?

2 A. Well, we all grew up under the old AT&T
3 umbrella, and I think that we deploy digital loop
4 carriers in generally the same fashion across the
5 country.

6 Q. Look at, please, page 21 where you talk
7 about a cross connect field at the RT. I think you
8 are talking there about terminating some but not all
9 feeder pairs at this cross connect field, is that
10 right?

11 A. That's right.

12 Q. And you talked about one or more groups
13 of 25 feeder pairs?

14 A. Right.

15 Q. So this is a cross connect field where
16 you would terminate some of your feeder pairs but not
17 all?

18 A. Correct.

19 Q. Why did you -- why the partial cross
20 connect field?

21 A. Well, that's simply in recognition that
22 digital services and specifically four-wire services,

1 even before advanced services, simple four-wire high
2 capacity services were oftentimes needed beyond remote
3 terminals to end user locations. And outside plant
4 engineers in my experience almost always in the areas
5 where I worked when I was in the field, we took
6 advantage of the fact that we had a multiplexer that
7 could deliver DS1 circuits and we cabled them to an
8 outboard span termination shelf where we put repeaters
9 in, and then we cabled --

10 Q. I don't mean to cut you off but we are
11 short. I think maybe you misunderstood my question.

12 MR. BOWEN: Oh, no, Your Honor, I think he
13 should be allowed to complete his answer.

14 MR. LIVINGSTON: That's not my question. He
15 was describing why he wants a cross connect field. My
16 question is why does that cross connect field only
17 terminate some, not all.

18 Q. Is that what you are answering? No, you
19 weren't. You were telling me why a cross connect
20 field should be there, right?

21 A. For data services. The reason we don't
22 need to terminate all of them is that the POTS

1 servicees don't need to be cross connected coming out
2 of the remote terminal. Whether it's ADSL capable or
3 not. Data services, there is a distinct advantage to
4 being able to derive four-wire data Tls for delivery
5 to typically businesses in the neighborhood as opposed
6 to building repeater copper Tls back to the central
7 office from that address.

8 Q. So is it your suggestion that you put a
9 cross connect field in and all the ADSL lines, all
10 those pairs, go to the cross connect field?

11 A. That would be one recommendation, yes.

12 Q. Is that your recommendation?

13 A. Well, it would depend on the size of the
14 remote terminal. I mean, I have seen some documents
15 here that show a maximum of 1,088 ADSL lines and one
16 remote terminal. And in that situation I don't
17 believe you would need a cross connect, okay. I
18 believe that's a massive deployment and that
19 configuration of the remote terminal and it's
20 relationship to the number of SAIs probably negates
21 the need for a cross connect. But I think in your
22 average remote terminal where you have a modest

1 deployment of ADSL, even an ultimate maximum
2 deployment of ADSL, I think that in order to have
3 flexibility and administer ADSL type facilities to
4 SAs, then a cross connect is the way to go. It's
5 what we did in Pacific Bell for Tls.

6 Q. You talk about the cross connect field
7 also in terms of providing a means of access by CLECs
8 who want to collocate equipment at or near the RT,
9 correct?

10 A. Right.

11 Q. Now, for purposes of access by CLECs,
12 would you have to terminate all the feeder pairs?

13 A. Not necessarily, no.

14 Q. It would depend on how many feeder pairs
15 you would anticipate that CLECs in the aggregate would
16 want access to?

17 A. Exactly.

18 Q. And it's fair to assume that collocating
19 CLECs wouldn't take a hundred percent of the feeder
20 pairs, is that a fair statement?

21 A. That's a fair statement.

22 Q. So for purposes of providing access, a

1 partial cross connect arrangement is sufficient, would
2 you agree?

3 A. Generally, yes.

4 Q. Now, am I correct, as you run through
5 this answer on the balance of page 21, what you are
6 talking about is a cross connect field at the RT for
7 purposes of CLEC access, correct?

8 A. That's correct.

9 Q. You don't talk about a cross connect
10 field for any other purpose on that page, correct?

11 A. Can I go back one question? You asked if
12 we were interested in the cross connect for purposes
13 of --

14 Q. CLEC access at the RT.

15 A. Sure. Virtual access. We don't want to
16 roll a truck to your RT.

17 Q. This question and answer on page 21 is
18 talking about physical access at the RT, correct, and
19 you are talking about a cross connect field to make
20 that physical access, by CLECs who are collocating,
21 possible, correct?

22 A. Well, the only reason I am going to

1 collocate is to put in a DSLAM.

2 Q. And so you want physical access to the
3 feeder pairs so you can take that customer to your
4 DSLAM, correct?

5 A. That's correct, yes.

6 Q. And that's what you are talking about
7 here; you are talking on this page entirely about
8 physical access by CLECs, correct?

9 A. Yes, yes.

10 Q. You are not talking about cross connect
11 fields for any other purpose on this page, correct?

12 A. No, no, I think that this also
13 encompasses the idea that it would be efficient for
14 SBC to administer the copper subloop, of which there
15 are many, towards the customer to a limited number of
16 DSL facilities.

17 Q. Where does it say that?

18 A. Well, let me look. Well, as I re-read
19 the question and the answer, the question doesn't ask
20 it and the answer doesn't say it.

21 Q. You are just -- in this answer all you
22 are talking about is a cross connect field for

1 purposes of physical access by a collocating CLEC,
2 correct?

3 A. I don't think that's what the question
4 asks.

5 Q. But that's all you talk about here,
6 right?

7 A. Well, I talk about there is two ways to
8 access the copper subloop. One is to plug the card
9 in, and the other is to provide a cross connect.

10 Q. And you are talking about accessing the
11 subloop by the CLEC?

12 A. Yes.

13 Q. And the purpose of the cross connect
14 field is to facilitate physical access by a
15 collocating CLEC, correct?

16 A. As I read the question and answer, yes.

17 Q. I would like to direct your attention up
18 to page 25. I think I am almost done. I would like
19 to direct your attention to page 25, lines 20 and 21.
20 You state, "The line cards are functionally equivalent
21 to DSLAMs," correct?

22 A. That's right.

1 Q. And the line card you are talking about
2 there is the ADLU line card?

3 A. That's correct.

4 Q. Does the ADLU card multiplex the data
5 cells for transmission to the OCD?

6 A. The ADLU card handles, and I am sure it
7 converts. I don't know that it multiplexes. When I
8 think multiplex, I think high side and low side, DS3
9 in, DS1 out, DS1 in, DS0 out. The ADLU card takes
10 the, in Dr. Ransom's words, the ATM cells that are
11 embedded in the bit stream and the ADLU accepts those
12 from the VP from the fiber with its VP and VC, and it
13 turns around, it does what it does, and I am not a
14 scientist. It turns around and delivers that ATM cell
15 in a DMT discrete multitone format bit stream and
16 sends it out to copper cable.

17 Q. And on the other side it said sends the
18 data stream, the data cells, onto the ABCU card,
19 correct?

20 A. From a line card facing the customer it
21 does its conversion and manipulation and sends it out
22 on copper. And the upstream traffic?

1 Q. Yes.

2 A. Sure. It does its conversion and
3 manipulation. I really don't believe that it's a
4 multiplexer. I don't believe it performs multiplexing
5 functions. It converts it, there is no question about
6 that.

7 Q. It splits data and voice?

8 A. Oh, the splitter does that. The splitter
9 on the ADLU, I believe, is a daughter board
10 arrangement.

11 Q. We will look for just a second at your
12 reply testimony, I mean your supplemental reply
13 testimony.

14 A. Sure.

15 Q. Which I have now misplaced and I have now
16 found. I would like to direct your attention to page
17 7.

18 A. My pages are not numbered.

19 Q. I am sorry, sir. This would be Question
20 8. We are talking about expanding through-put
21 capacity.

22 A. Yes, I see that.

1 Q. And you talk about a couple things there.
2 You talk about breaking the chain and you talk about
3 upgrading from 2000 to 2012, correct?

4 A. Correct, yes.

5 Q. And were you here this morning when
6 Mr. Dunbar talked about upgrading 2000 to 2012?

7 A. I came in about 9:00 o'clock. I heard a
8 few words in his voice on the phone, and then I
9 stepped out in the corridor, and I did not
10 substantially pay any attention to that.

11 Q. Well, do you know whether Litespan 200 0
12 can be upgraded to 2012 or do you just have to take
13 one out and put the other one in?

14 A. Well, certainly a remote terminal can be
15 upgraded from 2000 to 2012. We are talking about two
16 systems.

17 Q. You can remove the 2000 system and put in
18 a 2012 system?

19 A. Well, if there are no working lines, you
20 can.

21 Q. Because you would disrupt -- I am sorry.

22 A. There is no upgrade from an in-service

1 2000 to 2012 on a particular system maintaining the
2 same system identity. My answer here relates to
3 remote terminals and I see four discrete scenarios,
4 existing remote terminals, existing, one scenario,
5 existing Huts and CEVs, and those certainly in all
6 likelihood can be upgraded through the simple addition
7 of a bay number one with the appropriate common
8 control shelf.

9 However, an existing cabinet in all
10 likelihood cannot in any way, shape or form be
11 upgraded from an OC-3 Litespan, a Litespan 2000 to a
12 Litespan 2012. The difference is, is it existing and
13 in service or is it brand new. My point is that new
14 deployments absolutely can be upgraded.

15 Q. Before they go into service?

16 A. Absolutely. Or if I may, once -- if we
17 are in a hut or if we are in a CEV, there is a lot of
18 room in there, and even if I have a Litespan 2000 in
19 service, I wouldn't necessarily upgrade it through the
20 use of ABCUs and software and ADLUs. I could simply
21 install a Litespan 2012 and leave the Litespan 2000
22 for POTS.

1 Q. I would like to direct your attention on
2 to page 13.

3 A. Okay. Do you have a question number?

4 Q. I am sorry, sir.

5 A. That's all right.

6 Q. It's a long -- it's "Please explain
7 further," no. It's Question 13. Actually, it's
8 Question 14.

9 A. Okay.

10 Q. We are talking about engineering
11 decisions?

12 A. Yes.

13 Q. We talk about the capinet in the second
14 bullet point. We talk about the absence of cross
15 connect field at the RT. Have you found that?

16 A. Yes, yes, I do.

17 Q. And if you look down, do you have a
18 sentence that starts on line 20 that says "a much more
19 practical solution," are we together?

20 A. I see that.

21 Q. So we are together. "Both for new and
22 existing RT installations would be to terminate

1 (depending on expected demand) 25 to 100 feeder pairs
2 for SAI." Have I read that correctly?

3 A. Yes.

4 Q. When you talk about depending on expected
5 demand, expected demand for what? For physical access
6 by collocated CLECs?

7 A. Expected demand for DSL-type band width
8 sensitive services, advanced services. And that I
9 think would be orders you expect to get from your
10 affiliate as well as orders you expect to get from a
11 CLEC.

12 Q. So you are not talking about access for
13 collocation purposes here, correct?

14 A. Let me go back to the question.

15 MR. BOWEN: Counsel, while he is doing that,
16 just so I am clear, are you talking about just the
17 part of the answer on page 13 or the whole answer that
18 goes onto 14? What are you focusing on in your
19 question?

20 MR. LIVINGSTON: I am focusing on -- I am
21 trying to figure out what the expected demand is.
22 Demand for what and from whom.

1 A. Okay. This answer, this bullet, "Absence
2 the cross connect build at the RT," this does not
3 relate to physical collocation and access, physical
4 access by a CLEC. This relates to a methodology for
5 SBC to administer Project Pronto facilities in a
6 highly flexible manner.

7 Q. So the expected demand is expected retail
8 demand for the product, is that right, DSL?

9 A. Yeah, but you are confusing me with
10 retail. I don't know what that means.

11 Q. End user demand?

12 A. End user, yes.

13 Q. Let's go onto the next page. Between
14 lines 9 and lines 18 you talk about and quote from a
15 specific document, correct?

16 A. That's right.

17 Q. Now, unlike other parts in your
18 supplemental testimony where you drop a footnote when
19 you quote and actually identify the document, you
20 didn't do that here, correct?

21 A. That's correct.

22 Q. Can you identify that document for me?

1 A. I believe I can.

2 Q. Do you have a copy?

3 A. I believe I do. Give me one moment here.

4 MR. BOWEN: While he is doing that, let me
5 caution the witness that, although he can certainly
6 refer counsel to what document he might choose to,
7 that the information that is within the asterisk is
8 confidential, at least claimed so by SWBT, so you
9 should not say that on the open record as you should
10 not discuss your testimony within the asterisks on the
11 open record, unless of course SBC wants to waive.

12 A. I believe Rhythms Boyer Rehearing Cro ss
13 Exhibit 6P is one of the documents.

14 Q. You are quoting from more than one
15 document?

16 A. I also have a reference to KS200295.

17 Q. Was it just an oversight that you didn't
18 include the cite in your testimony?

19 MR. BOWEN: Objection, Your Honor. We have
20 been through this when Mr. Livingston attempted to
21 strike the testimony, and I am aware of no requirement
22 that requires a witness to cite every document they

1 parties agreed the
2 proceedings would be
3 considered proprietary and
4 are contained in the separate
5 in camera transcript.)
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1 CONTINUATION OF PROCEEDINGS

2 MR. LIVINGSTON:

3 Q. I would like to direct your attention to
4 Question 17 and your answer. This has to do with
5 cross talk or spectral interference, correct?

6 A. Yes.

7 Q. And you attach as your, I believe,
8 Exhibit 4, DW-4, a document, correct?

9 A. That's right.

10 Q. And the source of this document is Copper
11 Mountain Networks and Rhythms, correct.

12 A. That's correct.

13 Q. So this is something that your company
14 generated, at least in part?

15 A. At least in part, that's correct.

16 Q. It worked with Copper Mountain Networks
17 to generate it, correct?

18 A. Correct.

19 Q. And basically what we have here is a
20 computer simulation, is that right?

21 A. I would have to refresh myself by reading
22 it. I talked with our guy David Riley, the Rhythms

1 engineering guy who was involved in the study. I
2 talked with him several times about this situation,
3 but I don't remember the detail whether it was
4 actually or a computer simulation. I think if we read
5 the entire thing, we might be told.

6 Q. Do you want to take a quick look at it
7 and confirm that it is a computer simulation as
8 opposed to an actual field test?

9 A. Sure, on the third page it says
10 simulations were used.

11 Q. So this isn't a report of empirical
12 evidence gathered or derived from a field test, fair
13 statement?

14 A. This is not a report of an outage, that
15 is a fair statement.

16 MR. LIVINGSTON: I have no further questions.

17 JUDGE WOODS: Okay. How much redirect do you
18 have, Mr. Bowen?

19 MR. BOWEN: Oh, probably five minutes.

20 JUDGE WOODS: Let's get it done.

21

22

1 REDIRECT EXAMINATION

2 BY MR. BOWEN:

3 Q. Okay. Mr. Watson, do you recall
4 questions from Mr. Livingston concerning whether you
5 can or can't carry voice and data on the same fibers
6 using a Litespan 2012?

7 A. Using a Litespan 2012, yeah, I believe I
8 do recall that.

9 Q. If you will assume with me that there is
10 an OC-3c data output, if you will, from some channel
11 banks and at least one OC-3 worth of TDM output from
12 non-data channel banks, can those two OC-3 circuits be
13 combined on a single fiber system?

14 A. Yes, they can.

15 Q. How many different OC-3s or OC-3cs can be
16 combined on a single fiber system on a Litespan 2012?

17 A. A maximum of four.

18 Q. And if some of those are carrying voice
19 and some of those are carrying data, is it fair to say
20 that voice and data are combined on the single fiber
21 system on that system?

22 A. Yes, it's fair to say that.

1 Q. Now, do you recall some questions from
2 Mr. Livingston concerning and asking you to look at
3 Mr. Boyer's testimony on the issue of what kind of
4 wave division multiplexing is supported by Alcatel?

5 A. Yes.

6 Q. In particular supported by Alcatel in its
7 Litespan 2000 imitation?

8 A. Yes.

9 Q. And do you recall his examination
10 referencing you to Mr. Boyer's testimony that Alcatel
11 only supports a two lambda or two wave length solution
12 for WDM?

13 A. Yes, I do.

14 Q. Are there other ways besides Alcatel's
15 equipment to do wave division multiplexing at an RT at
16 which Litespan 2000 is deployed?

17 A. I believe there are.

18 Q. Can you describe some of those for us,
19 please?

20 A. Well, there are any number of
21 manufacturers. I remember one Fitel, F-I-T-E-L. I
22 believe they were a subsidiary of Lucent at the time.

1 They approached Pacific Bell in the engineering office
2 where I was working in 1998 and wanted to make a pitch
3 and have us look at WDM and DWDM adjunct boxes that
4 were literally about the size of a cigar box and that
5 they felt were affordable and that they were
6 encouraging Pacific Bell/SBC to consider using in
7 their outside plant deployment.

8 Q. And is it the case that the outboard
9 multiplexers of which you are aware are limited to two
10 lambdas?

11 A. Absolutely not. No, they are not limited
12 to two lambdas.

13 Q. Are you aware of what number of lambdas
14 or wave lengths non-Alcatel outboard WDM boxes offer?

15 A. To be honest I don't remember
16 specifically, but I do remember that part of that
17 session with those Fitel people, the discussion was to
18 go away from a 1310 and a 1550 nanometer configuration
19 and go towards using colors in the lambdas. And there
20 are an almost unlimited number of colors in the
21 rainbow. I don't want to suggest that a given fiber
22 system is absolutely unlimited, but with their

1 equipment using a red light on a fiber and a yellow
2 light on the same fiber and a purple light on the same
3 fiber, it was a many fold increase in capacity.

4 Q. Now, do you recall questions from
5 Mr. Livingston concerning other services besides
6 internet access that might be available to be deployed
7 on ADSL, including voice over DSL and video over DSL?

8 A. I do.

9 Q. And do you recall his questions
10 concerning SBC's currently offered 96 kilobit per
11 second constant bit rate PVC?

12 A. Yes, I do.

13 Q. And do you recall agreeing with
14 Mr. Livingston that that would carry a voice channel?

15 A. I did.

16 Q. Were you here during Dr. Ransom's
17 testimony?

18 A. Yes, I was.

19 Q. Do you agree with Dr. Ransom that there
20 are voice over DSL manufacturers offering equipment
21 for sale right now that would support up to 16 voice
22 channels on a DSL channel?

1 A. I agree with that.

2 Q. Now do you recall some cross examination
3 from Mr. Livingston concerning, actually two different
4 cuts at this, the cross connect field at the RT?

5 A. Yes.

6 Q. And in particular do you still have with
7 you there the page that's Bates stamped KS2000295?
8 This is the Option 2 ADSL cross connect one?

9 A. Yes, I have.

10 Q. And Mr. Livingston pointed out that you
11 had not quoted in your testimony the claimed
12 disadvantages of that configuration that are shown on
13 that page, do you recall that?

14 A. I do.

15 Q. Well, I don't want you to again reveal
16 information that's confidential, but is it fair to say
17 that one of the disadvantages on that page is the cost
18 of the cross box?

19 A. Yes.

20 Q. You are familiar, are you not --

21 MR. LIVINGSTON: He might not have, but you
22 just did.

1 MR. BOWEN: Is that important to have on the
2 sealed record, Mr. Livingston?

3 MR. LIVINGSTON: No, it's not. But I don't
4 want my acquiescence to be construed as a waiver. I
5 have gotten in enough trouble over that.

6 Q. You are familiar with, in writing your
7 testimony, I take it that you had in mind your
8 experience of outside plant equipment including the
9 kinds of cross boxes that you thought could be
10 deployed for your solution, isn't that fair?

11 A. That's accurate.

12 Q. And again take yourself back to your
13 testimony on this point that counsel for Ameritech
14 cross-examined you on, one of your configurations was
15 a 1, 2, 3 or 4 binder group cross box, isn't that
16 right?

17 A. Yes.

18 Q. Now, four binder groups would be what, a
19 hundred pairs?

20 A. One hundred pairs.

21 Q. And if you had four, an average of four
22 SAIs that subtend that RT, that would be then 400

1 pairs, right?

2 A. At most, yes.

3 Q. I mean, you said 25 to a hundred, that
4 would be the upper limit of your example, is that
5 fair?

6 A. At most, 400.

7 Q. So you would need, am I right, a 400 pair
8 cross connect box?

9 A. Well, I would add in, the 100 in to the
10 400 out and I would call it a 500 pair cross connect
11 field.

12 Q. Okay. How big is that kind of cross
13 connect box?

14 A. Eighteen by 24 perhaps.

15 Q. Feet or inches?

16 A. Inches, 18 inches by 24 inches by three
17 inches deep. It's a metal box, weather proof, with a
18 wooden backboard inside for mounting the hardware.

19 Q. Now, is this some box on the drawing
20 boards that's in somebody's Release 11 or 12 or 13?

21 A. No, this is a box that you go to the
22 electrical supply house to purchase. It's off the

1 shelf.

2 Q. Are you aware of any manufacturers that
3 you can buy something like this from right now?

4 A. Sure, the one that I used when I was in
5 California was, the brand was Banner -Naumann.

6 JUDGE WOODS: Could you spell that?

7 A. B-A-N-N-E-R - N-A-U-M-A-N-N.

8 Q. And give me please your best estimate of
9 the cost to, as the term is used, an engineered
10 version install a Banner -Naumann 18 by 24 cross box
11 equipped with a 500 pair cross connect field.

12 MR. LIVINGSTON: Your Honor, I am going to
13 object. This is all beyond the scope of cross. I
14 asked the purpose for which he was suggesting a cross
15 connect box. I didn't talk about cost.

16 MR. BOWEN: Your Honor, counsel in fact took
17 two runs at this. The second run was on this topic
18 directly and he pointed the witness to this very page
19 and asked him you didn't talk about the disadvantages,
20 and on this very page is exactly this point.

21 JUDGE WOODS: I think so, too. He can
22 answer.

1 Q. Do you recall the question or shall I
2 restate it?

3 A. Will you please restate the question?

4 Q. Okay. I want you to use the example you
5 just gave us, the pieces of the different answers, I
6 will try to restate those for you here. I think you
7 said a Banner-Naumann 18 by 24 cross box holding a 500
8 pair cross connect field, I want you to tell us,
9 please, your best estimate based on your experience of
10 how much it would cost to engineered version install
11 such a cross box at an RT location where Litespan is
12 deployed.

13 A. To engineer, furnish and install, do
14 everything to get actually outside the RT, and that
15 may be as little as drilling a hole through the metal
16 cabinet and then mounting the box to cover that hole
17 and passing copper cables through there, I have done
18 that in the past for in the neighborhood of \$2000,
19 certainly no more than \$2500. And I used a journeyman
20 electrician. I didn't use telephone technicians. I
21 used a journeyman electrician to drill the hole and
22 mount the box and we brought in the telephone

1 technicians to terminate the hardware and the cables
2 and things.

3 Q. Just so we are clear, you are talking
4 about mounting this box inside some CEV or some hut or
5 instead on the outside of some cabinet?

6 A. What I just described would be outside.
7 It could be on the outside of a hut, in which case we
8 would be drilling not through a metal sheet but the
9 wall of the hut and maybe it's concrete or stucco or
10 brick or whatever, but you can still get through that.
11 You can put a two-inch hole through that. That may
12 affect the costs upwardly, if necessary. But
13 specifically I have done it on a cabinet.

14 MR. BOWEN: Okay. That's all I have. Thank
15 you, Your Honor.

16 EXAMINATION

17 BY JUDGE WOODS:

18 Q. In terms of the Fitel product, did
19 PacBell just deploy that or did PacBell deploy that?

20 A. No.

21 Q. Why not?

22 A. Well, I am not sure that they -- they

1 came to the NAPA engineering office, fast talking
2 salesmen, they want to leave behind some little
3 brochures -- and I am sorry for any salesmen in the
4 room. They were looking to get their foot in the
5 door. And part of what they wanted to take away from
6 their visit to our office and talking to two of us at
7 the time who were doing loop electronics type
8 engineering, they wanted to know who in San Ramon, who
9 in the ivory tower, can we call to make a similar
10 presentation. And all we did is give them the name
11 and number of a staff guy, which I ended up taking
12 that job a couple years later. But I don't know -- I
13 never heard that -- I never heard anything more about
14 Fitel WDM equipment.

15 Q. So you don't know if it's ever been
16 installed anyway?

17 A. I am pretty confident it has not been
18 installed in Pacific.

19 Q. No, I said anywhere.

20 A. I don't know if it's been installed
21 anywhere, and I don't know if Fitel is still Fitel.

22 JUDGE WOODS: All right. Mr. Livingston, any

1 follow-up?

2 MR. LIVINGSTON: No, I think we can brief it.

3 JUDGE WOODS: Okay. Let's take ten minutes
4 or so between witnesses.

5 (Whereupon the hearing was in
6 a short recess.)

7 JUDGE WOODS: Back on the record, please.

8 MR. BINNIG: Thank you, Your Honor. Our next
9 witness is Mr. Mark Welch.

10 MARK WELCH

11 called as a Witness on behalf of Ameritech Illinois,
12 having been first duly sworn, was examined and
13 testified as follows:

14 DIRECT EXAMINATION

15 BY MR. BINNIG:

16 Q. Mr. Welch, could you state your full name
17 and business address for the record, please.

18 A. Mark James Welch, W-E-L-C-H, Three Bell
19 Plaza, Room 732, Dallas, Texas 75202.

20 Q. Mr. Welch, do you have in front of you
21 two documents, one entitled the Direct Testimony on
22 Rehearing of Mark Welch which will be marked for

1 identification as Ameritech Illinois Rehearing Exhibit
2 6.0, consisting of 14 pages of typed questions and
3 answers, and attachments A through D?

4 A. Yes.

5 Q. Was this direct testimony prepared by you
6 or under your supervision and direction?

7 A. Yes.

8 Q. Do you have any additions or corrections
9 to make to Ameritech Illinois Rehearing Exhibit 6.0?

10 A. No.

11 Q. If I were to ask you the questions set
12 out in Ameritech Illinois Exhibit 6.0 today, would
13 your answers be the same as reflected in this exhibit?

14 A. Yes.

15 Q. And do the attachments A through D
16 accurately reflect what they purport to reflect?

17 A. Yes.

18 Q. I will next ask you to turn your
19 attention to what's entitled the Rebuttal Testimony on
20 Rehearing of Mark Welch on Behalf of Ameritech
21 Illinois consisting of nine pages of typed questions
22 and answers. Do you have that?

1 A. Yes.

2 Q. And this will be marked for
3 identification as Ameritech Illinois Rehearing Exhibit
4 6.1. Was this exhibit prepared by you or under your
5 supervision and direction?

6 A. Yes.

7 Q. Do you have any additions or corrections
8 to make to Ameritech Illinois Exhibit 6.1?

9 A. No.

10 Q. If I were to ask you the questions set
11 out in Ameritech Illinois Rehearing Exhibit 6.1 today,
12 would your answers be the same as reflected in this
13 exhibit?

14 A. Yes.

15 MR. BINNIG: Your Honor, I would move for the
16 admission of Ameritech Illinois Rehearing Exhibits 6.0
17 and 6.1, and tender Mr. Welch for cross examination.

18 JUDGE WOODS: Objections?

19 MR. BOWEN: No objection.

20 JUDGE WOODS: Documents admitted without
21 objection.

22 (Whereupon Ameritech Illinois

1 Rehearing Exhibits 6.0 and
2 6.1 were marked for purposes
3 of identification as of this
4 date and admitted into
5 evidence.)

6 Witness is available for cross.

7 CROSS EXAMINATION

8 BY MR. SCHIFMAN:

9 Q. Good afternoon, Mr. Welch. Ken Schifman
10 on behalf of Sprint. Good to see you again.

11 A. Good to see you.

12 Q. Mr. Boyer gave some testimony the other
13 day about the collocation of a DSLAM by SBC Services.
14 Were you in the room to hear that testimony?

15 A. I believe it was SBC Telecom is what he
16 said, and I was in and out during a part of that, yes.

17 Q. He mentioned that you provided him some
18 information for his answer in that testimony. Did you
19 provide him some information?

20 A. Yes, I did.

21 Q. Okay. So you are familiar with this
22 collocation of a DSLAM by SBC Telecom?

1 A. Yes and no. I guess to be a little more
2 straight forward, I was more providing information
3 regarding the engineering controlled splice that he
4 was talking about as a part of that configuration.

5 Q. Okay. And who was providing the
6 information about the collocation of the DSLAM?

7 A. I believe that would have been Mr. Keown
8 that's more familiar with that arrangement.

9 Q. We will see how much you know and, if you
10 don't know, then you can defer some questions to
11 Mr. Keown, okay?

12 A. Fair enough.

13 Q. Where was this collocation and engineered
14 controlled splice?

15 A. I don't believe physically there was any
16 engineered controlled splice at this specific
17 location. My understanding is that somewhere in
18 Plano, Texas, Southwestern Bell, operating as a
19 CLEC -- that is actually Verizon's territory -- has
20 equipment installed and in some way, shape or form is
21 accessing, I believe, Verizon's network to provide
22 service in Verizon's territory. Subsequent to Telecom

1 placing their equipment for the provision of the POTS
2 portion of that service, it's my understanding that
3 they have decided to place some DSLAM equipment to be
4 able to provision data services to those same
5 customers, set of customers.

6 Q. And was this DSLAM provisioned at a
7 remote terminal location?

8 A. That's my understanding. I am not
9 familiar with the specifics.

10 Q. Okay. Tell me who do you work for,
11 Mr. Welch?

12 A. I work for SBC Management Services.

13 Q. And how is SBC Telecom related to SBC
14 Management Services?

15 A. I would say that's a legal question. I
16 really don't -- I don't know the answer to that, other
17 than Telecom is -- I couldn't even -- I am sorry, I
18 would be totally speculating on the arrangements there
19 for that portion. I just don't know.

20 Q. That's fine. Is SBC Telecom the entity
21 to your knowledge that is engaging in the strategy
22 known as the National Local Strategy?

1 A. I want to say a qualified yes. It's my
2 understanding that Telecom, primarily as it relates to
3 the National Local Strategy, is outside of the
4 traditional 13-state area. And there is this other
5 group that has another name, and I don't really even
6 know what it means, but it is referred to as a sport
7 group, and that is the group that actually handles the
8 Plano area. And, again, I don't know what the
9 relationship is between the National Local group
10 outside the 13-states and the group in Plano.

11 Q. You testified that you got some
12 information about an engineered controlled splice at
13 that location?

14 A. No, sir, not at that location, just
15 generally about the engineered controlled splice.

16 Q. Verizon's engineered controlled splice
17 techniques or -- you mentioned that there is no
18 engineered controlled splice there, so what type of
19 information did you obtain about engineered controlled
20 splices?

21 A. Let me be a little bit more clear. I am
22 not aware to the specifics as to whether or not there

1 is or is not an engineered controlled splice in Plano
2 Texas. I believe the context of what Mr. Boyer was
3 attempting to say is he was extrapolating the
4 information about placing a DSLAM at this particular
5 location and then adding on to that figure and that
6 the specifics around that particular economies that
7 were discussed, there were multiple situations that
8 were engineered to determine which one was the right
9 one for Plano, okay. So those -- there were multiple
10 figures. Mr. Boyer took the higher of those two
11 figures. And then on the engineering controlled
12 splice, that was associated with some -- that was the
13 information I provided Mr. Boyer, and that was
14 associated with specific quotes that Southwestern Bell
15 Telephone had provided a wholesale customer regarding
16 an engineered controlled splice.

17 Q. So that's not a quote that SBC Telecom
18 obtained from Verizon?

19 A. That's correct.

20 Q. So was your number 9,000, do I remember
21 that correctly?

22 A. That's ballpark, that's correct.

1 Q. So \$9,000 is how much you have quoted a
2 CLEC to construct an engineered controlled splice?

3 A. That is a quote, that's correct.

4 Q. Is that the company that I represent,
5 Sprint?

6 A. Yes, sir, it is.

7 Q. Have you given Sprint any other quotes
8 for engineered controlled splices to your knowledge?

9 A. Yes, sir, we have.

10 Q. Higher or lower figures?

11 A. There are higher figures associated with
12 those.

13 Q. And what are the higher figures?

14 A. I could look it up. I don't know. I
15 know that before I have quoted \$15,000 and up to
16 \$30,000. It is highly dependent upon the number of
17 pairs that the wholesale customer is asking for us to
18 place into the engineering controlled splice.

19 Q. Is it also contingent upon the type of
20 engineered controlled splice set up, I will call it,
21 that is ordered by the CLEC? Strike that, I will ask
22 a foundational question. Are there different set -ups

1 for an engineered controlled splice that a CLEC can
2 order from Southwestern Bell?

3 A. Yes.

4 Q. Can you describe those?

5 A. I am not sure which direction you are
6 going, so let me -- there is one --

7 Q. I am not sure either, so I want you to go
8 ahead.

9 A. Fair enough. There is an alternative
10 where CLECs can gain access to subloops where they get
11 a dedicated facility option versus a cross connectible
12 facility option. That is two alternatives that will
13 impact the cost of the engineering controlled splice.
14 In addition, additional factors that could affect the
15 engineering controlled splice is the type of physical
16 facility that the cables would be accessed and the
17 space available in that particular structure.

18 Q. Where is an engineered controlled splice
19 constructed?

20 A. It would be either inside or directly
21 adjacent to the remote terminal structure.

22 Q. And who obtains the permits to construct

1 an engineered controlled splice from a city or other
2 governmental authority?

3 A. Southwestern -- well, here it would be
4 Ameritech Illinois. I am sorry, I am getting confused
5 whether you are talking about the specific situation
6 that we were referencing or in general.

7 Q. That last question was in general.

8 A. Okay.

9 Q. And I believe you answered in general.
10 That's great. Okay, let's go back to the quotes that
11 you stated that you have given to Sprint for the
12 construction of an engineered controlled splice. I
13 believe so far you have mentioned the range from
14 \$9,000 to \$30,000, is that correct?

15 A. That's correct.

16 Q. Have you quoted any CLEC a higher number
17 for an engineered controlled splice?

18 A. I guess it's possible. The only quotes
19 that I am aware of are to your client. So I don't
20 know -- I don't recall off hand if it was 31,575. I
21 mean I just don't know those numbers right off hand,
22 but that's ballpark, the right ranges that we are

1 talking about.

2 Q. So ballpark top range for an engineered
3 controlled splice that you are aware of that you have
4 quoted Sprint and to your knowledge any CLEC is
5 ballpark \$30,000, is that right?

6 A. Ballpark, that's correct.

7 Q. What kind of facility does Sprint or any
8 other CLEC need to obtain from Ameritech to get from
9 an engineered controlled splice to a collocated DSLAM?

10 A. It would be dependent upon the specific
11 arrangement that you are talking about. But a copper
12 facility is what would go between the DSLAM and the
13 engineering controlled splice.

14 Q. And then between the DSLAM and the remote
15 terminal, what facility is that?

16 A. The remote terminal structure wouldn't be
17 connected to the DSLAM. I guess I am a little bit
18 confused.

19 Q. So when a CLEC obtains an engineered
20 controlled splice, it connects to its DSLAM through
21 some type of copper facility you mentioned. Could it
22 be a fiber facility also, is that a possibility?

1 A. Not to the engineering controlled splice,
2 no.

3 Q. And then the CLEC needs to get its
4 traffic back to a central office, is that correct?

5 A. That's correct.

6 Q. Okay. What kind of facility is that?

7 A. It would depend on how the CLEC chose to
8 get back. They could build a facility themselves or
9 utilize their own transport in some way, shape or
10 form, wireless or whatever they wanted to do. They
11 could lease facilities, subloop facilities, that would
12 be referenced as a feeder subloop. And those come
13 from DS1s all the way up to -- which would be in a
14 copper facility. It could be a DS3. That could be a
15 coax handoff. It could be maybe a DS3 even on a fiber
16 facility, depending on how it was being handed off.
17 It could be a higher band width OC-3, again, on fiber.
18 It could be dark fiber. It just depends on the
19 specifics and what's available at that specific site.

20 Q. So, for example, is there always going to
21 be available from SBC a facility to connect the
22 engineered controlled splice to a central office?

1 A. The engineered controlled splice isn't
2 connected to the central office.

3 Q. I am sorry. I misspoke. From the DSLAM
4 to the central office?

5 A. In most circumstances we are going to be
6 able to provide a DS1 facility back to the central
7 office, and that's over regular copper pair. So, yes,
8 to that instance, that's most of the time going to be
9 available, not necessarily all the time.

10 Q. Is an engineered controlled splice a
11 tariffed service here in the state of Illinois?

12 A. No, it's not.

13 Q. And when you are talking about providing
14 Sprint quotes, how long did it take for Southwestern
15 Bell or SWBT, I guess this case was in Kansas, how
16 long did it take for SWBT to provide a quote to Sprint
17 for the ECS?

18 A. I am very familiar with the specific
19 situations with Sprint in doing the ECS. And so the
20 total time I couldn't quote because there were
21 multiple iterations of the actual request before we
22 get back the actual response. Typically, I would say

1 30 days is what you should count on at the most.

2 Q. How many days did Sprint receive in this
3 case? I understand what you say is a typical
4 arrangement, but I just want to understand the
5 situation that Sprint encountered.

6 A. The first situation that Sprint requested
7 was a response, to my knowledge, that was returned
8 within 30 days. Subsequent to that, Sprint provided
9 multiple requests on the same request. They were not
10 understandable by the product folks who then actually
11 got my team involved because I had been involved in
12 the actual negotiations. That resulted in a
13 conference call to try to get things clarified.
14 Sprint subsequently sent in another request, and again
15 we responded well within 30 days. I don't know the
16 specifics.

17 Q. Okay. Let's go back to the situation
18 that you described where SBC Telecom is collocating a
19 DSLAM in Plano, Texas, okay?

20 A. I don't know that I called it collocating
21 a DSLAM, but okay.

22 Q. Well, what are you doing there?

1 A. I believe it's their equipment and then
2 they are placing more equipment right to the side of
3 that. It would be similar to --

4 Q. Who do you -- excuse me for interrupting,
5 but who are you referring to their equipment?

6 A. My understanding is that the company, the
7 CLEC company associated with SBC, has their own
8 equipment that was placed to access or to provide
9 their portion of the transmission for POTS, okay. But
10 it was their facility, their structure. Subsequent to
11 that they wanted to place a DSLAM. My understanding
12 is that they looked at multiple alternatives and
13 placed a DSLAM again inside of their own structure.
14 That would not be collocation. Collocation is a CLEC
15 placing its equipment inside of the incumbent's area.
16 That is not my understanding of what they did. My
17 understanding is they actually placed a cabinet
18 adjacent to their existing structure.

19 Q. So adjacent collocation?

20 A. Again, it's not collocation because it's
21 their structure and their structure. They just added
22 on a structure.

1 Q. So they had to obtain a permit to put
2 equipment on the landowner's property, right?

3 A. If they didn't already have the easement,
4 that would be correct. They may have already had the
5 easement. Again, I don't know the specific situation.
6 Again, I think Mr. Boyer was saying it would be
7 similar to collocation in that a CLEC entity is
8 placing a cabinet with a DSLAM inside it, and that's
9 why we were trying to draw the analogy.

10 Q. Do you know how many customers SBC
11 Telecom is serving from that arrangement that you just
12 described?

13 A. No, sir, I don't.

14 Q. Do you know how much the total
15 arrangement was that Mr. Boyer testified to yesterday?

16 A. Again, I think Mr. Boyer used the high
17 end of engineering alternatives. I am not even sure
18 which alternative was actually used. I know that they
19 looked at three different scenarios and Mr. Boyer was
20 quoting the most costly of those three scenarios.

21 Q. This is not a scenario that Verizon, at
22 least for the engineered controlled splice portion of

1 it, Verizon did not present that as a quote to SBC;
2 Mr. Boyer asked you for an SBC quote that they would
3 give to their wholesale customers, is that right?

4 A. Actually, it was -- he was just asking
5 for a range of what an engineering controlled splice
6 was for accessing approximately 200 customers, and so
7 I referenced a quote that we had provided. It wasn't
8 specific to say it's this or that. He was just saying
9 give me a ballpark and I was aware of a specific quote
10 for accessing the equivalent to 200 customers and that
11 was the price.

12 Q. So that was the \$9,000 that you gave him?

13 A. That's correct.

14 Q. I believe Mr. Boyer testified that the
15 DSLAM placement cost \$61,000, does that sound fair?

16 A. I believe it was a DSLAM inside a brand
17 new cabinet, all self-contained, was \$61,000, that's
18 correct.

19 Q. So a DSLAM inside a brand new cabinet for
20 \$61,000, 9,000 bucks for the engineered controlled
21 splice, so that's 70 grand to access 200 customers,
22 right?

1 A. That would be correct.

2 Q. Does that include loop charges, monthly
3 recurring and non-recurring charges, to obtain access
4 to those customers?

5 A. I think all this is ballpark. I don't
6 believe he included any of those prices, no.

7 Q. And that doesn't include the transport
8 that SBC Telecom either built or obtained from the
9 ILEC to get to a central office, is that right?

10 A. I don't believe it does, no.

11 Q. What's a typical cost for that?

12 A. I think a DS --

13 Q. For a 200 customer arrangement, say
14 enough capacity to provide service to 200 customers?

15 A. I really wouldn't know.

16 Q. All right. I will let you finish your
17 answer. You were going to say for a DS something?

18 A. I was going to say, a DS1 retail, maybe a
19 hundred dollars. TELRIC, I have no idea of what it
20 is. Dark fiber TELRIC, I don't know the price of,
21 either.

22 Q. What about DS3?

1 A. Again, I just don't know TELRIC type
2 pricing. I don't know.

3 Q. I am not asking for the TELRIC type
4 pricing.

5 A. I have no idea what even retail is. I
6 don't have a clue. I am an engineer network person.

7 Q. I understand. I placed on your desk
8 there, Mr. Welch, an exhibit or a data response from
9 Ameritech Illinois to Covad/Rhythms/Sprint, 9th Set of
10 Data Requests, Data Request 9. Do you have that in
11 front of you?

12 A. Yes, sir.

13 MR. SCHIFMAN: I would like for the court
14 reporter to mark that please as Sprint Welch on
15 Rehearing Cross Exhibit Number 1.

16 JUDGE WOODS: She says she will do it.

17 (Whereupon Sprint Rehearing
18 Welch Cross Exhibit 1 was
19 marked for purposes of
20 identification as of this
21 date.)

22 Q. Mr. Welch, do you recognize this document

1 that's been marked as Cross Exhibit Number 1?

2 A. Yes.

3 Q. Who is Janie Dew that's listed on the
4 second page? D-E-W.

5 A. She is an employee in the Network
6 Regulatory Organization?

7 Q. Your group?

8 A. She doesn't report directly to me, but
9 yes, same group.

10 Q. There is -- basically, this document is a
11 process for obtaining an engineered controlled splice,
12 is that right?

13 A. That's correct.

14 Q. If you go down to "If CLEC Agrees to
15 Estimate," do you see that area?

16 A. Yes, sir.

17 Q. What is "CLEC obtains ACTLs from
18 Telcordia"?

19 A. I believe that is a reference to a common
20 language identification code for the CLEC's reference
21 point that is used for naming convention.

22 Q. After a CLEC agrees to an estimate, what

1 is the amount of time it takes to actually construct
2 the engineered controlled splice?

3 A. There are a lot of variables that go into
4 that. I believe that the quoted interval is 90 days.

5 Q. So we have got 30 days for the cost
6 estimate, right?

7 A. As a maximum, that's correct.

8 Q. And 90 days quoted interval for the
9 construction, right?

10 A. I believe that's correct. I would have
11 to say that's subject to check, but I believe that's
12 correct.

13 Q. Calendar days or business days?

14 A. I believe that's counted as calendar
15 days. Can I have just a moment to make sure that's
16 right?

17 Q. You sure may.

18 A. Thank you.

19 (Pause)

20 I don't want to take up a lot of your
21 time. I am pretty sure it's right. It could be 60
22 days and it would be referenced in the Project Pronto

1 Order as to what that outside -- that interval would
2 be.

3 Q. The Waiver Order you are talking about?

4 A. Yes, sir, that's correct, the Merger
5 Order.

6 Q. Let's turn to your testimony, your direct
7 testimony, at page 9.

8 A. Okay.

9 Q. I want to talk to you about the special
10 construction arrangement that's listed in your answer
11 in the middle of that page.

12 A. Yes, I am there.

13 Q. Now, is this special construction
14 arrangement, it's referenced in the same Waiver Order
15 that you just referenced, right?

16 A. That's correct.

17 Q. Now, is this for a CLEC collocating a
18 DSLAM within an NGDLC enclosure?

19 A. Actually, when I am speaking to this
20 special construction arrangement on page 9, I am
21 merely referencing a CLEC choosing to gain access to
22 copper subloops at that remote terminal. What the

1 CLEC wants to do with those copper subloops would
2 obviously be subject to their discretion but, yes, it
3 could be to place a DSLAM.

4 Q. Okay. That's what I was going to ask
5 you. Typically, it would be to place a DSLAM for a
6 CLEC?

7 A. Again, I am not sure that it's
8 necessarily just a DSLAM. For instance, your company
9 has bundled packages that it does other things. I
10 don't know what equipment your company may use to
11 provide the different services that it provides. I
12 don't know if it's solely a DSLAM or something else.

13 Q. For example, in the situation that
14 Mr. Boyer mentioned yesterday that SBC Telecom is
15 engaging in in Plano, that's a placement of a DSLAM,
16 right?

17 A. That is a DSLAM to provide DSL service,
18 that's correct.

19 Q. And was that arrangement a special
20 construction arrangement that SBC Telecom engaged in
21 with Verizon?

22 A. Again, I don't know any of the specifics

1 on what the proximity was of that structure to
2 Verizon's structure, or I just don't know the
3 specifics.

4 Q. Okay. The special construction
5 arrangement that you ever referring to here, let's
6 assume that's for a placement of a DSLAM. Is that
7 DSLAM, can it be placed within a remote terminal
8 enclosure?

9 A. I wouldn't refer to that as special
10 construction. I would prefer to that as collocation.
11 The answer is yes.

12 Q. You refer to special construction as an
13 adjacent type of arrangement?

14 A. Not exactly. I refer to special
15 construction as any time that the ILEC has to modify
16 its network in order to accommodate the CLEC request.

17 Q. The Waiver Order that we have been
18 referencing mentions that special construction
19 arrangements can be tariffed at state commissions, is
20 that true?

21 A. I am not familiar with that, but I
22 believe0.

1 Q. Take a look at paragraph 37.

2 A. Okay. Yes, I see that.

3 Q. There the FCC is talking about a risk
4 that could exist that special construction arrangement
5 process would be used to create additional delays or
6 increase the cost of accessing a remote terminal. Do
7 you see that?

8 A. I do.

9 Q. Then it says to address these risks SBC
10 modified its proposal and said that these type of
11 arrangements can be tariffed at the state level?

12 A. I see that.

13 Q. Okay. My question is has Ameritech
14 Illinois tariffed a special construction arrangement
15 process here in Illinois?

16 A. I don't know if they have a special
17 construction arrangement. In addition to that,
18 though, there may be collocation and, again, I am not
19 familiar with whether Illinois has chosen to tariff
20 collocation or not. Either one could apply, depending
21 on the circumstances.

22 Q. I thought you told me that a special

1 construction arrangement is not collocation. It's
2 outside of an ILEC premise.

3 A. No, sir, that's not necessarily true.
4 Maybe I should clarify. Collocation would apply, for
5 instance, if there was space that was readily
6 available and the DSLAM was being placed inside. If,
7 for instance, the cabinet structure itself wasn't
8 large enough, then that's what would trigger special
9 construction which in essence would be taking the
10 cabinet and making the cabinet bigger in some way,
11 shape or form. That's when it goes to special
12 construction, instead of collocation.

13 Q. You are enlarging the cabinet?

14 A. That would be correct.

15 Q. Is a special construction process also
16 used by SBC ILECs for collocation adjacent to a remote
17 terminal?

18 A. I am not familiar with the adjacent
19 collocation as it relates to Illinois. I just don't
20 know.

21 Q. Okay. Just to clarify, you don't know if
22 Ameritech Illinois has tariffed this process, referred

1 to as the SCA process, here in Illinois?

2 A. I am not aware of it being tariffed in
3 Illinois.

4 Q. How much is it going to cost me as a CLEC
5 to get a special construction arrangement to enlarge a
6 RT cabinet?

7 A. That would be dependent upon the
8 circumstances, the size of the existing cabinet, what
9 modifications were required in order to enlarge the
10 cabinet. We have volunteered in our voluntary
11 commitments that we are going to use the least cost
12 approach. So it could be that the least cost approach
13 is to place a structure adjacent, instead of trying to
14 enlarge. For instance, a CEV that's underground would
15 not make sense to try to pull that entire thing out of
16 the ground and then enlarge it. In that instance it
17 might make more sense to place something to the side
18 of it. So it's just going to depend on the specifics
19 of each scenario.

20 Q. What quotes have you provided customers
21 for that process?

22 A. I am not aware of any on the special

1 construction arrangement for expanding an existing
2 structure of any sort.

3 Q. What about for adjacent -- placing
4 something adjacent to a structure?

5 A. I am not aware of any quotes that have
6 been provided for that.

7 Q. And an engineered controlled splice and a
8 special construction arrangement, we established, I
9 think, typically that's where a CLEC is placing a
10 DSLAM out in the field, is that correct?

11 A. I am trying to keep them --

12 Q. Outside of the central office.

13 A. I am trying to keep them a little bit
14 separate. Engineering controlled splice relates to
15 the cables that are hardwired to the equipment inside
16 the remote terminal structure that are hardwired to
17 the SAI or multiple SAIs out in the field. Special
18 construction as it relates to the engineering
19 controlled splice is breaking open that cabling, and
20 then you have open cabling on each side, creating a
21 cross connectible termination of that cabling that's
22 either inside the remote terminal structure, if space

1 is available, or just outside and adjacent to the
2 remote terminal structure. So that's more the special
3 construction, as I see it, relating to the engineering
4 controlled splice?

5 Q. Using these arrangements as you have just
6 described them, CLECs can provides DSL services, is
7 that right?

8 A. Yeah, they can choose to do that, that's
9 correct.

10 Q. And these type of arrangements would not
11 be necessary for a CLEC if they could get access to --
12 if they could use SBC's NGDLC equipment on an
13 unbundled basis, is that correct?

14 A. I would have to defer that to Mr. Boyer
15 or Mr. Keown. I really don't speak to the NGDLC
16 offerings.

17 Q. I guess my question is, if I can't get
18 unbundled access to the NGDLC, then I as a CLEC have
19 to do these arrangements with SBC, is that correct?

20 A. My personal opinion is that you would use
21 the broadband service that's available today and that
22 wouldn't require any type of collocation or ECS or

1 anything like that.

2 Q. Okay. Let's just assume that this
3 Commission names a broadband service a single
4 unbundled network element or a combination of
5 unbundled network elements, can you assume that with
6 me?

7 A. Sure.

8 Q. If that were the case, I as a CLEC could
9 provide ADSL service over that architecture on an
10 unbundled basis and I would not need to use the
11 engineered controlled splice or the special
12 construction arrangement that you have described here,
13 is that right?

14 A. Again, based on that assumption and based
15 on your desire to use the technology that's deployed
16 in that and not some other technology, then, sure, I
17 think that's true.

18 Q. Do you have Mr. Boyer's testimony with
19 you?

20 A. No, sir, I don't.

21 MR. SCHIFMAN: Counsel, do you have
22 Mr. Boyer's testimony? I want to show him CJB-2.

1 MR. BINNIG: That's an exhibit to his direct,
2 I assume?

3 MR. SCHIFMAN: Yes.

4 Q. Do you see that, Mr. Welch?

5 A. That being the photograph?

6 Q. Yes.

7 A. Yes, I do.

8 Q. Could you describe that photograph for
9 me?

10 A. I believe it's called a Standard Litespan
11 2000 Cabinet.

12 Q. Okay. And you recognize that as an
13 Alcatel Litespan 2000 deployed in a Litespan 2016
14 cabinet?

15 A. Quite frankly, I don't focus on this
16 particular part of the network, so I don't -- I mean,
17 I will take your word for it. But it says a Litespan
18 2000 cabinet, so I would think it would be a Litespan
19 2000 cabinet.

20 Q. The schedule will speak for itself as to
21 what it is. Is there space for a CLEC to collocate at
22 this cabinet as it's depicted right here in CJB-2?

1 A. As it's depicted here, I wouldn't think
2 that there would be space available for collocation.
3 I am making some assumptions that the tops of those
4 are ventilation areas and not spare space. I am not
5 aware if this cabinet has openings on the other side
6 on either end. But based on this picture here, I
7 would agree with that, that would be fine.

8 Q. And if a CLEC wanted to collocate a DSLAM
9 at or near this location as it's depicted, one of the
10 things they could do is enlarge this cabinet through
11 the SCA process that you mentioned, is that right?

12 A. That's correct.

13 Q. Or we could adjacently collocate to this
14 cabinet, right?

15 A. That's another option, yes, that 's
16 correct.

17 Q. And it would take all the processes that
18 you described in the answers to my previous questions
19 about what would be necessary to obtain those --
20 access to those arrangements, right?

21 A. If the CLEC chose to use one of those two
22 options, absolutely, that's what it would take.

1 Q. All right. You can set that down.

2 A. Okay.

3 Q. I also put on your desk there, Mr. Welch,
4 another document that says Data Request 6?

5 A. Okay.

6 MR. SCHIFMAN: I will ask the court reporter
7 to mark it as Sprint Welch on Rehearing Cross Exhibit
8 2.

9 JUDGE WOODS: Be so marked.

10 (Whereupon Sprint Rehearing
11 Welch Cross Exhibit 2 was
12 marked for purposes of
13 identification as of this
14 date.)

15 Q. Who is Catherine Griffin that's listed as
16 the person responsible on this document?

17 A. I am not familiar with her.

18 Q. Do you recognize this as a process by
19 which -- a description of a process by which a CLEC
20 can collocate a DSLAM at a remote terminal?

21 A. Yes, I believe that's correct.

22 Q. The last paragraph there talks about the

1 costs associated with collocating a DSLAM or any other
2 type of equipment varies depending on the CLEC's
3 requirements, do you see that?

4 A. Yes, sir.

5 Q. What kind of quotes have you given to
6 CLECs for collocating the DSLAM?

7 A. I am not aware of any quotes for
8 collocating DSLAMs. In fact, in my testimony I think
9 I explain that there haven't been any requests for
10 collocation in the remote terminal in Illinois at all.

11 Q. Okay. But are you aware outside of
12 Illinois of anything?

13 A. No, I am not. I know that there have
14 been. I am not aware of any specifics associated with
15 it.

16 Q. So it's an individual case basis type of
17 arrangement, is that right?

18 A. That's correct.

19 Q. Okay. And do you know the time frame for
20 collocating the DSLAM?

21 A. No, I really -- I would assume it's
22 dependent upon whether it's through special

1 construction arrangement or collocation. It would be
2 whatever it is. I mean, special construction, again I
3 believe, is either 60 or 90 days, whatever is in the
4 Waiver Order that I referred to earlier; and
5 collocation, I believe, is dependent upon each state,
6 what the collocation requirements are.

7 Q. But you don't think that's an individual
8 case basis, the time frames for collocating a DSLAM?

9 A. Not that I am aware of, no.

10 MR. SCHIFMAN: The last document I put in
11 front of you, Mr. Welch, was an answer to
12 Sprint/Covad/Rhythms 9th Set of Data Requests, Data
13 Request 8. I will ask the court reporter to mark
14 that, please, as Sprint Welch on Rehearing Cross
15 Exhibit 3.

16 JUDGE WOODS: Okay.

17 (Whereupon Sprint Rehearing
18 Welch Cross Exhibit 3 was
19 marked for purposes of
20 identification as of this
21 date.)

22 Q. Do you have that document in front of

1 you, Mr. Welch?

2 A. Yes, I do.

3 Q. Do you recognize this as a process by
4 which a CLEC can lease dark fiber from Ameritech?

5 A. Yes.

6 Q. Is dark fiber tariffed in Illinois now?

7 A. I would really have to check. I know the
8 Commission has addressed dark fiber here, but I don't
9 know the specifics for Illinois.

10 Q. Is dark fiber guaranteed to be available
11 for CLECs every time they ask for it at a particular
12 location?

13 A. I don't believe it is.

14 Q. In your rebuttal testimony you -- let's
15 see if I have got the page right here. I believe you
16 reference that incident that Mr. Burt from Sprint
17 described in his testimony about collocation at RTs on
18 page 4?

19 A. Yes, I recall that.

20 Q. Okay. I think he described that it was
21 not an issue of space here, but Sprint's DSLAM was too
22 big for the space that was in the RT, is that right?

1 A. Yes, that's correct.

2 Q. So there was space available in that
3 particular RT for collocation, right?

4 A. Yes, there was. Let me be clear. There
5 is two types of bay racking. There is standard bay
6 racking and something that's called expanded bay
7 racking or non-standard, depending on what terminology
8 you use. And that has to do with the depth of that
9 particular bay. The particular piece of equipment
10 that was being requested to be placed in the CEV
11 requires the use of non-standard size or expanded bay
12 in order to physically bolt the piece of equipment
13 inside whatever structure you are using, be it a
14 central office or a remote terminal. The remote
15 terminals that we use in our network use standard bay
16 configurations. So it was a depth issue. Physically
17 there was enough rack space, if that makes sense. But
18 the depth of the rack itself was not the correct size.

19 Q. Okay. So Sprint was denied collocation
20 within the RT based on what you just described, right?

21 A. Yeah, that's correct.

22 Q. Did Sprint attempt to obtain a

1 collocation outside of the remote terminal, adjacent
2 to it, to your knowledge?

3 A. Not to my knowledge, not that I know of.
4 Let me clarify that, if it would help. I do vaguely
5 recall that there might have been an attempt to get
6 some form of adjacent collocation under the auspices
7 of collocation, not as a special construction
8 arrangement. I do recall that, and that's what I was
9 trying to think about. As it relates to the special
10 construction arrangement, no, I don't believe Sprint
11 ever submitted any requests for a special construction
12 arrangement. I do recall that they were pressing the
13 issue of collocation. And as it related to
14 collocation, adjacent collocation wouldn't apply
15 because space was available. But it was the
16 particular equipment that Sprint was attempting to use
17 wasn't available. It would be similar to me having a
18 garage and a car would fit in it but an Expedition
19 might be too wide or too long to fit in my particular
20 garage. It's not to say a standard size car wouldn't
21 fit in it. This particular piece of equipment didn't.
22 It was a non-standard type of arrangement.

1 Q. So let's use your analogy about the
2 garage. In that case our Expedition was too big for
3 the garage so we tried to park it next door to the
4 garage at a space on the actual premise that SBC owns,
5 right, adjacent to it? We tried to obtain adjacent
6 collocation adjacent to that, as you described it,
7 garage.

8 A. I believe under collocation, that's
9 correct. And under the collocation rules adjacent
10 collocation doesn't apply when there is space
11 available inside the RT.

12 Q. Oh. So we couldn't get it inside the RT
13 because our equipment was too big, and we couldn't get
14 it outside of the RT because there was still space
15 available in the RT, is that right?

16 A. Yeah, that's correct. Special
17 construction would have been the appropriate way to
18 attempt to modify it to get non-standard equipment to
19 fit at that particular location. Again, it's an issue
20 of whether it was standard equipment or non-standard
21 equipment. It was non-standard equipment.

22 Q. Okay. So -- well, that's enough. Mr.

1 Welch, in your testimony, let's see if I can find the
2 right page, I guess in fact on the direct testimony,
3 you have a reference to how many cabinets and huts and
4 CEVs are in Illinois? I think it's page 13 and
5 carrying over to 14 of your direct.

6 A. All right. Yes, I see that.

7 Q. You would agree with me that based on
8 your testimony that 83 percent of the remote terminal
9 enclosures in Illinois are cabinets, right?

10 A. That's correct, of the existing remote
11 terminals, that's correct.

12 Q. And now let's turn to your rebuttal
13 testimony. You talk about some of the commitments,
14 voluntary commitments, that SBC made, adopted by the
15 FCC in the Project Pronto Waiver Order. One of those
16 was cabinets installed after September 15, 2000. Do
17 you see that?

18 A. Yes, sir.

19 Q. And it says that SBC will make 15 percent
20 of the total space in that cabinet available for
21 collocation, is that right? That's one of the
22 methodologies that SBC can use?

1 A. Via the special construction arrangement,
2 that's correct.

3 Q. Oh, so if it's installed after September
4 15, we still have to enlarge it by obtaining a special
5 construction arrangement, right?

6 A. I don't believe that's the process.
7 Actually, my understanding of the process, and
8 Mr. Keown might be a better person to get the
9 specifics on, is that we post the information ahead of
10 time and allow CLECs an opportunity to express their
11 interest in having collocation at that specific
12 location. And that is what in effect in some
13 mechanism would trigger the 15 percent increase.

14 Q. So do you agree -- excuse me. Do you
15 agree with me that there are nine channel bank
16 assemblies in an NGDLC typically?

17 A. I would really defer that to Mr. Keown.

18 Q. Okay. We will ask Mr. Keown about that.

19 A. Okay.

20 MR. SCHIFMAN: Nothing further.

21 MR. BINNIG: Just off the record for a
22 second?

1 MR. SCHIFMAN: Let me move in my exhibits.

2 MR. BINNIG: That's what I want to talk to
3 Ken about.

4 (Whereupon there was then had an
5 off-the-record discussion.)

6 JUDGE WOODS: Back on the record.

7 MR. SCHIFMAN: Your Honor, I would like to
8 move into the record Sprint Welch on Rehearing Cross
9 Exhibits 1, 2 and 3. I understand Ameritech is going
10 to try to make available better copies of Exhibits 1
11 and 3.

12 JUDGE WOODS: Okay.

13 MR. BINNIG: With the ability to substitute
14 the documents that are not cut off, we have no
15 objection.

16 JUDGE WOODS: Okay.

17 (Whereupon Sprint Rehearing
18 Welch Cross Exhibits 1 , 2 and
19 3 were admitted into
20 evidence.)

21 Ms. Franco-Feinberg?

22 MS. FRANCO-FEINBERG: Thank you. I only have

1 a few questions as well, Mr. Welch.

2 CROSS EXAMINATION

3 BY MS. FRANCO-FEINBERG:

4 Q. I want to start with your rebuttal.

5 Let's see, on page 6.

6 A. Okay.

7 Q. Okay. And you are addressing, I believe,
8 Mr. Gindlesberger's diagram which is attached to his
9 testimony at --

10 JUDGE WOODS: Do you have a spelling on that?

11 MS. FRANCO-FEINBERG: Sure. It's
12 G-I-N-D-L-E-S-B-E-R-G-E-R.

13 Q. Is that correct?

14 A. That's what I say here, yes.

15 Q. And if I understand your testimony
16 correctly, you are not indicating that it's not
17 technically possible to configure your network in this
18 manner, is that correct?

19 A. Actually, I don't have a copy of the
20 diagram. I apologize.

21 Q. Does your counsel have a copy?

22 MR. BINNIG: We will check. We have found

1 it.

2 THE WITNESS: Okay. I am sorry, could you
3 repeat the question?

4 Q. Sure. My question is, as I look at your
5 testimony, it does not seem to me at least that you
6 are claiming that the diagram attached to
7 Mr. Gindlesberger's testimony is not technically
8 possible. It's not, in other words, it is technically
9 possible to configure your network in this manner,
10 isn't it?

11 A. I believe that either Mr. Keown or
12 Mr. Boyer addressed the feasibility of trying to place
13 an additional cross connect box there at the cabinet.
14 Again, I would say it might be possible. It would be
15 dependenet upon how many cables pairs you were trying
16 to get access to and creating an additional access
17 point to. It's possible. I think it just becomes an
18 efficient and economic issue at that point.

19 Q. Okay. So if I understand your concern
20 with his testimony, and let me know if I am correct,
21 it's that you are not certain what or where
22 Ameritech's network would be connected to Covad or any

1 other CLEC's network, is that a correct
2 characterization of your testimony at page 6?

3 A. That's correct.

4 Q. You do understand that Covad, Rhythms and
5 other CLECs have requested for some time, both before
6 the FCC in Project Pronto waiver proceedings as well
7 as before this Commission, the ability to collocate
8 line cards, is that correct? You are aware of that?

9 A. I think they refer to that as
10 collocation, that is correct.

11 Q. And you are aware, of course, that Covad
12 also and Rhythms also requested that as part of the
13 Project Pronto Waiver Order?

14 A. Absolutely.

15 Q. So, for example, when you mention the
16 whole portion of Covad's comment before the FCC
17 regarding DSLAM collocation and our desire to have --
18 or I am sorry, excuse me, the ability to have space to
19 collocate DSLAMs and you don't mention Covad's request
20 to collocate line cards, you are aware that that is a
21 recurring request on Covad's part, is that correct?

22 A. Yes.

1 Q. And that was made at that time as well
2 before the FCC, is that correct?

3 A. Again, I don't agree that that's
4 collocation, but I understand that that's the request.

5 Q. You do understand that Covad has
6 requested the ability to plug in the card?

7 A. Yes, I understand the request.

8 Q. So let's assume that the Commission for
9 the fourth time requires Ameritech to allow CLECs to
10 collocate their line cards at Ameritech's NGDLC. Can
11 you assume that?

12 A. Sure.

13 Q. If that were the case and you were
14 looking at the diagram attached to Mr. Gindlesberger's
15 testimony, would the diagram not reflect then a
16 connection between the CLEC's network and the ILEC's
17 network or the CLEC's and ILEC's facilities?

18 A. No.

19 Q. It would not?

20 A. No.

21 Q. It would not be a mechanism to connect
22 the two?

1 A. The line card connected to the ECS,
2 absolutely not.

3 Q. Okay. If in fact again the Commission
4 were to require line card collocation, is this a
5 technically possible way to allow one CLEC card to
6 access multiple SAIs or serving area interfaces? Is
7 this technically possible?

8 A. Could you repeat that question one more
9 time? I didn't understand it. I apologize.

10 Q. Again, assuming that the Commission again
11 requires Ameritech to allow for line card collocation,
12 can you assume that?

13 A. Yes, I understand that part.

14 Q. And, therefore, there is now a Covad line
15 card, as we look at this diagram, in DSL CBA Number 1.
16 Can you assume that?

17 A. Uh-huh.

18 Q. And this ECS is in place as depicted in
19 this diagram?

20 A. Right. So the CBA Number 1 is the line
21 card and that's the ECS right next to the line card.

22 Q. Well, the CBA is the channel bank and

1 A. You, too, Mr. Bowen.

2 Q. I want to focus your attention on that
3 really discussed topic, cross connect fields at the
4 RT. One of the problems you have with that is that
5 you think cross connects are a potential point of
6 failure, right?

7 A. Yes, that's correct.

8 Q. But they are not all bad, are they?
9 Don't they have some good aspects as well? Don't
10 cross connect fields in general have some good
11 attributes?

12 A. Yes, I agree with that.

13 Q. I guess it's possible technically that
14 you could have loop plant out there, and thinking of
15 UBR not just a copper loop, possible to have loop
16 plant out there with no cross connects at all, right?

17 A. It's possible.

18 Q. In other words, you could run individual
19 wires all the way from the MDF to individual customer
20 premises, right?

21 A. Yeah, you could do that.

22 Q. Then you would have no points of failure

1 in terms of cross connects, right?

2 A. That's correct.

3 Q. But that would be pretty inflexible,
4 wouldn't it?

5 A. That's correct.

6 Q. And it would be pretty expensive because
7 you would have a one-for-one relationship all the way
8 from the premises to the office, right?

9 A. That's correct.

10 Q. I take it, because you are working with
11 outside plant and this ECS, that you are familiar
12 generally with outside plant deployment practices for
13 SBC, is that fair?

14 A. Yes, that's correct.

15 Q. You have heard of something called
16 non-interface plant design?

17 A. I am not super familiar with that
18 terminology.

19 Q. Let me describe something. Maybe that
20 will sound more familiar to you. Before there were
21 serving area interfaces or feeder distribution
22 interfaces, isn't it correct that the construction

1 method was to use a large amount of bridge tap without
2 cross connects at all out there?

3 A. That's correct.

4 Q. And that consumed, didn't it, a lot more
5 copper facilities?

6 A. That's correct.

7 Q. But it did have the advantage of having
8 no cross connect points of failure at a feeder
9 distribution interface?

10 A. That's correct.

11 Q. Isn't it correct that in the 70s SBC and
12 other ILECs abandoned that outside plant topology and
13 went to one that involved an SAI or FDI?

14 A. I think it's more accurate to say the
15 guidelines changed, and the guidelines were directed
16 more to an SAI type design, that's correct.

17 Q. Would that be called the Serving Area
18 Concept?

19 A. That's correct.

20 Q. And wasn't part of the Serving Area
21 Concept the placement on a going forward basis of
22 these cross connect fields inside V-boxes or SAI

1 boxes?

2 A. That's correct.

3 Q. And in doing so, that construction, that
4 change in outside plant layout did create additional
5 points of failure, isn't that right?

6 A. That's correct.

7 Q. But the Bell system at the time decided
8 that the trade off was worth it; that is, that the
9 flexibility obtained by creating a cross connect point
10 outweighed the concerns about points of failure, isn't
11 that fair?

12 A. For that specific situation, yeah. The
13 economics came into play, that's correct.

14 Q. In other words, the economics you are
15 mentioning, I take it, means that you didn't have to
16 run so much copper out there because you could run,
17 for example, a smaller number of feeder cables?

18 A. Yeah, the technology was changing, for
19 one thing, and it allowed you to do multiplexing and
20 things of that nature. So that's correct.

21 Q. And am I also right that the operational
22 support systems that were designed to inventory and

1 assign outside plant facilities, in particular LFACS,
2 was modified to be able to inventory and assign
3 outside loop plant in segments?

4 A. That's correct.

5 Q. So that a common so-called F1 segment
6 would run from the MDF out to the SAI, is that fair?

7 A. Uh-huh.

8 Q. And a common F2 segment would run from
9 the SAI out to the serving terminal by your house?

10 A. That was the common design, that's
11 correct.

12 Q. And do you know -- isn't it correct that
13 LFACS actually can support segments F1 through F9?

14 A. Technically, I would say that the system
15 might have that ability, that's correct. I wouldn't
16 want to leave the impression that that's anything
17 that's used today, especially in our network.

18 Q. But when I say support, I mean you could
19 inventory up to nine loop plant segments and assign
20 those automatically with the LFACS logic, isn't that
21 right?

22 A. Again, I would say that's possible.

1 Q. Now, aren't RTs in general a logical
2 place to think about putting a cross connect, to think
3 about it, consider?

4 A. I would say that that's a place to
5 consider placing a cross connect, sure.

6 Q. In fact, that's where a bunch of copper
7 meets a different serving technology, fiber optics in
8 the NGDLC, right?

9 A. Typically, if you put the cross connect
10 at the RT, that's more in line with placing the RT out
11 to the SAI. That would be what would come to mind if
12 you were putting the cross connect at that particular
13 point, and that's a possibility. It just limits the
14 RT to one SAI versus multiple SAIs.

15 Q. I don't want you to assume that. I want
16 you to put all the SAIs away, far away, from your
17 mind. But here comes all the feeder copper pairs. It
18 is a logical place to think about a cross connect as
19 opposed to hardwiring -- or do you know what I mean by
20 hardwiring?

21 A. Sure.

22 Q. There is no engineering rule that says

1 you have to terminate the feeder pairs by hardwiring
2 and into a splice that goes into the protectors, is
3 there?

4 A. No, no. I think Mr. Keown addresses the
5 sizing issue when you start to talk about the
6 concentration of the number of pairs at the RT and the
7 cross connect type. It would be either Mr. Keown or
8 Mr. Boyer.

9 Q. Well, pretty obviously, if you wanted to
10 cross connect all the pairs at the RT, say there are
11 2016 possible working services, you would need a field
12 that would handle that many binder posts, right?

13 A. Actually, twice as many, but that's
14 correct.

15 Q. And if you wanted to cross connect a
16 smaller number than the universe, for example, if you
17 wanted to cross connect, say, a hundred pairs per SAI,
18 that would be a smaller cross connect field, right?

19 A. That's correct.

20 Q. And it is possible, is it not,
21 technically possible, to put a full or partial cross
22 connect field in as you install a new RT in lieu of

1 the hardwiring that you are doing?

2 A. Yes, that's correct.

3 Q. And it's also technically possible to put
4 a partial field in on a retrofitted basis for an
5 existing RT, isn't that right?

6 A. Again, given the space constraints and
7 all those factors, I guess it's possible. It would
8 just depend on available space and things of that
9 nature.

10 Q. Okay. You said in response to a question
11 with Mr. Schiffman, I think if I got this right, that
12 an ECS is kind of breaking open a cable and I think
13 you said creating a cross connectible area in or out
14 of the RT, do you recall that?

15 A. It's a cross connectible area, yes, and
16 the ECS itself might be in or outside of the physical
17 RT, yes.

18 Q. But the ECS itself, if I understand your
19 testimony correctly, is not a cross connect field;
20 it's a splice, right?

21 A. It is breaking open a splice and in
22 essence making it a controlled area for doing cross

1 connects.

2 Q. Okay. Are there little terminals in
3 there now?

4 A. It would depend on the specific
5 situation, the size of it and the technology that you
6 are using to make that cross connect capability exist.

7 Q. Well, I understand that there is
8 variability. I appreciate that. But give me a
9 representative idea of your notion of the ECS, as you
10 have testified here and elsewhere. Are we talking
11 about opening up a splice, taking out some pairs and
12 then re-splicing pairs, or are we talking about
13 opening up a splice and creating opposing binder posts
14 with jumpers?

15 A. I would say it's closer to the latter.
16 And, potentially, physically placing those jumpers
17 across there so that it continues to go through. But
18 then if you had to break that jumper and move it to an
19 adjacent binder post with a CLEC's cable, then you
20 would run a different cross connect.

21 Q. Okay. Well, you are basically opening up
22 a buried splice most of the time, right?

1 A. Not necessarily. It depends on if you
2 are inside or outside where the physical ability to
3 place the engineering controlled splice is.

4 Q. The one I saw was in Pfleugerville,
5 Texas, and there was a big whole in the ground with a
6 big splice case revealed about six feet down. Is that
7 a common configuration?

8 JUDGE WOODS: Can you spell that
9 Pfleugerville?

10 MR. BOWEN: I think it's
11 P-F-L-E-U-G-E-R-V-I-L-L-E, founded by Germans.

12 Q. All right. Now, do you recall the
13 question?

14 A. Yes, I do. As I recall, that specific
15 site that you looked at was a cabinetized site. And
16 in that instance, again, dependent upon the number of
17 pairs that you were wanting to open up and any
18 available space in that particular structure, it could
19 be inside the cabinet or it could be outside the
20 cabinet. It would just be dependent upon those
21 factors.

22 Q. Were you at that visit, too?

1 A. I sure was.

2 Q. Okay. I thought you were. That was a
3 Litespan 2016 cabinet, wasn't it?

4 A. Okay.

5 Q. The shrink-wrapped one that Dr. Ransom
6 talked about?

7 A. I trust you.

8 Q. There is no space for any of this to
9 happen inside that cabinet that we saw, was there?

10 A. Again, it would depend upon how many
11 pairs you were interested, you being the CLEC, were
12 interested in. If they were interested in 400, I
13 would agree that it would be unlikely that you would
14 be able to get all of those termination posts inside
15 that cabinet.

16 Q. Okay. Fair enough. If it doesn't go in
17 the cabinet, are you suggesting that the ECS be
18 buried, a cross connect field? I am not quite clear
19 on what you had in mind.

20 A. No, I think I would reference it more as
21 a real small SAI box right there by the RT.

22 Q. Well, you know, this sounds to me or it

1 looks and feels just like what Mr. Watson was talking
2 about. That is, you are calling it an ECS but he is
3 calling it a little cross connect field that holds 400
4 pairs of field fiber cable. Is there some magic
5 distinction when you use the term ECS versus what he
6 is talking about?

7 A. When you refer to Mr. Watson, I was
8 walking in and out. I think I caught the tail end of
9 that.

10 Q. He was talking about -- I will just tell
11 you. He was talking about a Banner-Naumann 18 by 24
12 metal box that's sealed environmentally that you can
13 mount on or next to an RT location in which you would
14 place a 500 pair cross connect field.

15 A. Okay.

16 Q. That sounds to me like what you are
17 talking about?

18 A. I would say that that's a possibility
19 that that might be something that could be used as an
20 ECS. Again, it depends on the specifics. Typically,
21 those type of structures are not used in areas that
22 have bad climate because they leak and they create

1 environmental conditions that are adverse to the
2 copper wiring. So again it just depends on all the
3 factors that are associated with each specific
4 arrangement, the number of pairs, the environment, the
5 available space. It just depends.

6 Q. I mean, you need some kind of little box
7 that sits there to hold this field that doesn't leak,
8 right, that's outside?

9 A. Right. It might be a standalone box or
10 it might be something actually inside the existing
11 structure.

12 Q. I will have to call Banner-Naumann and
13 tell them the bad news that their boxes leak, but I
14 will do that later.

15 A. They probably know.

16 Q. Maybe they actually don't know. But is
17 there any -- again, we have been through this with the
18 OCD where we found out there actually was an ATM
19 switch that you guys call an OCD. Is this the same
20 thing, where you have what really is just a regular
21 cross connect field that you call this engineering
22 controlled splice?

1 A. I think the idea behind calling it an
2 engineering controlled splice is to make sure that
3 there wasn't a misunderstanding about something that
4 physically is not cross connected today. It is not
5 the way we engineered the network for the mass POTS
6 network that we have out there, and so it was going to
7 be something that would be identifiable as breaking
8 that normal configuration open and a subset of
9 totality of all the pairs and it would have some cross
10 connect functionality.

11 MR. BOWEN: Okay. That's all I have. Thank
12 you.

13 JUDGE WOODS: Okay. Very good.

14 MR. BINNIG: Could we just have one moment?

15 JUDGE WOODS: Sure.

16 (Pause)

17 MR. BINNIG: No redirect, Your Honor.

18 JUDGE WOODS: Okay. Let's go off the record.

19 (Whereupon there was then had
20 an off-the-record
21 discussion.)

22 JUDGE WOODS: Back on the record. My

1 understanding is the parties have conferred and have
2 reached a basic agreement on the order of presentation
3 of witnesses on Monday and Tuesday. I am not going to
4 burden the record with that presentation, but they
5 have advised me that, because of the large number of
6 witnesses that are scheduled to go on Monday, they
7 prefer to start at 8:00 o'clock. So we will continue
8 this cause to Monday, July 23, at 8:00 a.m.

9 (Whereupon the hearing in this
10 matter was continued until
11 July 23, 2001, at 8:00 a.m.
12 in Springfield, Illinois.)

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1 STATE OF ILLINOIS)
)SS
2 COUNTY OF SANGAMON)
 CASE NO.: 00-0393 On Rehearing
3 TITLE: ILLINOIS BELL TELEPHONE COMPANY

4 CERTIFICATE OF REPORTER

5 We, Cheryl A. Davis and Carla J. Boehl, do
6 hereby certify that we are court reporters contracted
7 by Sullivan Reporting Company of Chicago, Illinois;
8 that we reported in shorthand the evidence taken and
9 proceedings had on the hearing on the above-entitled
10 case on the 20th day of July, 2001; that the foregoing
11 pages are a true and correct transcript of our
12 shorthand notes so taken as aforesaid and contain all
13 of the proceedings directed by the Commission or other
14 persons authorized by it to conduct the said hearing
15 to be so stenographically reported.

16 Dated at Springfield, Illinois, on this 19th
17 day of July, A.D., 2001.

18

19

20 Certified Shorthand Reporter

21

22